

Nowak, Tim

From: Nowak, Tim
Sent: Friday, March 11, 2011 2:47 PM
To: World Trade Center St. Louis
Subject: FOR JIE
Attachments: Legislative Timeline - 2011 session.xls; SB 390 Legislative Timeline - Line by Line.doc; Aerotropolis Core Message-Revised.docx; SB 390 - Narrative 030811.docx

MCHC - Senate Bill SB 390 File

Tim J. Nowak
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<http://www.worldtradecenter-stl.com/>

From: Michael Hafner [<mailto:mhafner44@gmail.com>]
Sent: Tuesday, March 08, 2011 5:47 PM
To: ESchmitt@lathroppage.com; RainfordJ@stlouiscity.com; dfleming@stlrcga.org; rboyd@snrdenton.com; davidbarklage@gmail.com; casteel@stlrcga.org; sjohnson@stlrcga.org; Nowak, Tim; Coleman, Denny; ktuttle@bardgett.net
Cc: smstone
Subject: Fwd: Aerotropolis Documents

I have attached a number of items that David referenced on Monday's conference call on SB 390 which give a thorough overview of the political strategy moving forward. Please note that I have sent these only to people that were on the call (or if they had a representative dial-in). Others will receive these documents as they are briefed.

We will have another call with the lobbying team later this week and I am in the process of following up with you individually on a time that works for everyone. I look forward to working with you in the weeks ahead.

All the best,

Mike

--

Michael Hafner
Barklage Company
mhafner44@gmail.com
314-504-6148

2011 Legislative Timeline - MO Legislature

Legislative Timeline	Senate Bill Filed, 2nd Read & Referred to Committee	Committee Hearing, Committee vote, Bill turned into Pro Tem	Spring Break	Formal calendar, Perfection, Fiscal Oversight Committee, 3rd read and passes	Bill 1st Read in House, 2nd read and referred to committee	Committee hearing	Committee vote, bill turned into Speaker, Assigned to Rules Committee	Voted out of Rules, turned in to the floor	House calendar, Perfected, 3rd read for final vote	Final Week: Conference Committee Assignments, Hearings, & Final Votes in both chambers
Deadline*	Week 1 - 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11
Start of week	February 28	March 14	March 21	March 28	April 4	April 11	April 18	April 25	May 2	May 9

*Estimated weeks

Political Groups

STL County										
Key RCGA Membership	X									
STL County Executive Charlie Dooley	X									
Civic Progress	X									
RBC - Governance Comm Members	X									
Hub Commission	X									

Senate

Key leadership R & D:

Rob Mayer	X									
Tom Dempsey	X									
Ron Richard	X									
Eric Schmitt	X									
Brian Munziner (Ag Chair)	X									
Bill Stouffer (Transportation Chair)	X									
Brad Lager (Commerce Chair)	X									
Victor Callahan	X									
Possible Opposition Senators:										
Jason Crowell	X									
Chuck Purgason	X									
StL Delegation:										
Scott Rupp	X									
Jim Lembke	X									
John Lamping	X									
Jane Cunningham	X									
Brian Nieves	X									
StL Dem Delegation										
Maria Chappelle-Nadal	X									
Tim Green	X									
Joe Koaveny	X									
Robin Wright-Jones	X									

Eco-Devo Committee Members:

Ron Richard		X								
Bob Dixon		X								
Jack Goodman		X								
Luann Ridgeway		X								
Ryan McKenna		X								

House

Key leadership:

Steve Tilley				X						
Tim Jones				X						
John Diehl, Rules Chair				X						
Ryan Silvey, Budget Chair				X						
Casey Guernsey, Agri-Business Chair				X						
Sally Faith, Transportation Chair				X						

2011 Legislative Timeline - MO Legislature

[illegible]

[illegible]

SB390 - LEGISLATIVE TIMELINE
2011 Session

March 1: File the bill

March 3: Bill is 2nd read and referred to committee

March 9: Hearing on the bill in Jobs and Eco Devo Committee

March 16: Bill voted out of Jobs Committee.

March 17: Bill turned in to the Pro Tem (Begin Spring Break)

March 28: Bill placed on formal calendar

March 29: Bill heard for perfection on Senate floor

At this point everything leaves the realm of predictability, but the dates from here on represent the best possible scenario and assuming the Bill is perfected in one day....

March 29: Bill perfected

March 30: Bill referred to Fiscal Oversight

March 31: Bill heard in fiscal oversight

March 31: Bill voted out of fiscal oversight and turned in to the Pro Tem

March 31: Bill third read and passes the Senate

Note: We could also move the timeline up one week if we exec the bill out of committee the day it is heard.

April 4: Bill read 1st time in the house.

By April 7: Bill read 2nd time in the house and referred to a committee.

By April 14: Heard in house committee

By April 21: Voted out of house committee and turned into the Speaker - Speaker assigns the bill to Rules Committee

By April 28: Heard and voted out of Rules Committee and turned in to the floor

By May 6: Placed on House calendar, perfected and 3rd read for final vote. Bill passes the house (if the house has not amended the bill in any way from when it came over from the Senate)

Final week: Conference committee assignments, hearings, and final votes in both chambers.

Obviously the House timeline can be pushed up quite a bit if all of those deadlines happen early in the estimated weeks they are taken up.

Core Message

The Aerotropolis Trade Act provides innovative economic development tools intended to grow Missouri manufacturing and agriculture by increasing access into emerging global markets previously unattainable, while drawing new trade, investment and jobs into Missouri from abroad and from other regions of the U.S. The Act would make Missouri and the St. Louis region a world-class international air freight ‘gateway’ and a regional supply point or “Aerotropolis” for the import, export and distribution of goods from around the world.

Missouri and the St. Louis region’s strategic geography, transportation assets, and St. Louis’ uncongested Airport make Missouri the perfect location for the Aerotropolis.

The idea is to attract foreign businesses that utilize air transportation to deliver imports to the United States. Those companies must fill those planes with American exports on their return flights creating new market opportunities for Missouri manufacturers and farmers.

The Act provides short-term incentives for companies to jump start trade activity that transport goods, locate, invest or build new freight facilities, or manufacture goods for export in Missouri. Once the initial incentives are gone, the infrastructure is in place and the high-paying jobs become permanent. The Act provides strict accountability, financial caps and sunset provisions. Taxpayers receive the benefits of new jobs, construction and investment before the incentives are even issued.

But we must act now or we will lose forever the opportunity to revitalize our state and region.

St Louis Core Message

The Aerotropolis Trade Act provides innovative economic development tools intended to grow the regions manufacturing and business by increasing access into emerging global markets previously unattainable, while drawing new trade, investment and jobs into the St. Louis region from abroad and from other areas of the U.S. The Act would make the St. Louis region a world-class international air freight ‘gateway’ and a regional supply point or “Aerotropolis” for the import, export and distribution of goods from around the world.

The St. Louis region’s strategic geography, transportation assets, and St. Louis’ uncongested Airport make St. Louis the perfect location for the Aerotropolis.

The idea is to attract foreign businesses that utilize air transportation to deliver imports to the United States. Those companies must fill those planes with American exports on their return flights creating new market opportunities for Missouri manufacturers and farmers.

The Act provides short term incentives for companies to jump start trade activity who transport goods, locate, invest or build new freight facilities or manufacture goods for export in Missouri. Once the initial incentives are gone, the infrastructure is in place and the high-paying jobs become permanent.

The Act provides strict accountability, financial caps and sunset provisions. Taxpayers receive the benefits of new jobs, construction and investment before the incentives are even issued.

But we must act now or we will lose forever the opportunity to revitalize our state and region.

Contact Narrative/Timeline

Saint Louis Players

Key RCGA Membership

- RCGA Board meeting - March 17
Responsibilities: Barklage/Stone (Briefing)

STL County Executive

- Reach out to Mike Jones
Responsibilities: Barklage/Stone (Briefing)

Civic Progress

- Meeting with Tom Irwin
Responsibilities: Stone/Barklage (Briefing)

Regional Business Council

- L.B. Eckelkamp
Responsibilities: Stone/Barklage (Briefing)
- John Tracy
Responsibilities: Mayor Slay/Stone (Briefing)

China Hub Commission

- MO Chamber
Responsibilities: Stone (Briefing)
- Van Eaton
Responsibilities: Barklage/Stone (Briefing)

Senate

We want to start the bill in the Senate because the process takes longer. Meeting with **key Senate leaders** is the highest legislative priority. These need to be one-on-one briefings with key Senators on the details of the legislation and solicit ideas to strategically facilitate passage.

Meetings:

- Senator Mayer, President Pro Tem
- Senator Dempsey, Majority Leader
- Senator Schmitt, Chairman – Economic Development
- Senator Richard, Vice Chairman – Economic Development
- Senator Munzlinger, Chairman – Agriculture
- Senator Stouffer, Chairman – Transportation
- Senator Lager, Chairman – Commerce
- Senator Callahan, Minority Floor Leader

Responsibilities: Barklage (scheduling), Schmitt, Stone (briefing)

Meeting with **key opposition leaders** in the Senate is also a high priority. We need to assess our true potential opposition. By opposition, we do not mean those voting no, but rather those that are capable and ready to mount a filibuster or attempt to kill the legislation. These meetings should also be one-on-one.

Meetings:

- Senator Crowell
- Senator Purgason

Responsibilities: Stone (briefing) (scheduling)

A Republican **St. Louis Delegation** meeting should be scheduled with RCGA leadership, with Senator Schmitt and Steve Stone leading the meeting. The meeting should include both House and Senate Republicans and a few key business leaders.

Meetings:

- Senator Dempsey
- Senator Rupp
- Senator Lembke
- Senator Lamping
- Senator Cunningham
- Senator Nieves
- Majority Leader Jones
- Representative Diehl
- Representative Gosen
- Representative Allen
- Representative Stream
- Representative Leara
- Representative Fuhr
- Representative Haefner
- Representative Scharnhorst
- Representative Brown
- Representative Koenig

Responsibilities: RCGA (scheduling), Schmitt, Stone, Diehl, Fleming (briefing)

Republican and Democrat members of the **Senate Economic Development Committee** should be targeted individually and coordinated between Sen. Schmitt and Steve Stone before the Committee meets. Because it is envisioned that the Committee will be asked to hear and vote on the bill the same day, we will want to be certain we have the votes to get it out of Committee.

Meetings:

- Senator Richard
- Senator Dixon
- Senator Goodman
- Senator Ridgeway
- Senator McKenna

Responsibilities: Barklage, Stone (scheduling), Schmitt, Stone (briefing)

House

Meeting with **key House leaders** is in two phases. Speaker Tilley, Majority Leader Jones, and Budget Chairman Silvey should be highest priority. Meetings with the remaining key house leadership, while important, is not as high of a priority. These meetings need to be one-on-one meetings briefing Representatives on the details of the legislation and solicit strategy ideas to facilitate passage.

Meetings (First Phase):

- Speaker Steve Tilley
- Majority Leader Tim Jones

- Ryan Silvey, Budget Chairman
- Meetings (Second Phase):**
- Minority Leader Mike Talboy
 - Casey Guernsey, Agri-Business Chair
 - Sally Faith, Transportation Chair
 - Ann Zerr, Eco-Devo Chair
- Responsibilities:** Barklage (scheduling), Stone, Diehl (briefing)

Republican and Democrat **members of the House Economic Development Committee** should be targeted as two groups. I would suggest we schedule a Committee dinner with Democrat members and one with Republican members. The dinners would be following Spring Break. We need to identify a lead house Democrat and give them a role in the process to help whip votes in the House and help us sell the proposal at the dinner. My suggestion would be Rep. Tishaura Jones, a member of leadership but not on Economic Development, or Rep. Chris Carter who is on the Committee.

Responsibilities Republican meeting: Barklage (scheduling), Diehl, Stone, RCGA members/St. Louis Business (briefing)

Responsibilities Democrat meeting: Barklage, Lobbyist (scheduling) Stone, Democrat member and/or City Lobbyist (briefing)

We should meet with the **Governor (and his staff) and David Kerr** over the Legislative Spring Break. The lobby plan and legislative details should be shared, and an ask should be made for the Governor's help lobbying Democrat House and Senate members. Lt. Governor Kinder will be supportive and will be willing to publicly support or lobby as needed. Kinder will just need to be briefed by Stone and Barklage.

Responsibilities: Stone (briefing), Schmitt (scheduling)

While all the **state business groups** should be supportive, the Missouri Chamber is the only one that has been active in the China Hub initiative. We will identify (in the other groups) a couple of key members to approach, and we will also hold conference calls with the Executive Directors of each organization. Besides sharing the legislation with them, requests should be made to engage their lobbyist and their membership endorsement. The Chamber is the only group we should meet one-on-one with.

Responsibilities: Schmitt, Diehl (scheduling), Stone (briefing)

A complete **labor plan** should be designed by Mike Kelley that addresses the order, priority and process of the proposal. With labor's strong engagement for the Callaway/Ameren legislation, they are in the capitol and can be a great help with both Democrats and Republicans.

Responsibilities: Kelley (scheduling), Schmitt, Diehl, Stone, Kelley (briefing)

A complete **Agriculture plan** should be designed by Jewell Patek as to the order, priority and process of the development. But it is critical to engage this group to wedge against rural conservatives in both bodies and make the issue less regional. The first one-on-one meeting however should be with the new Missouri Farm Bureau President Blake Hurst in Jefferson City. The Farm Bureau has the largest and broadest membership and a excellent lobbying team.

Responsibilities: Patek, Barklage (scheduling), Schmitt, Diehl, Stone, Patek (briefing)

A press plan will be implemented that flies under the radar until a vote is taken and more credibility is gained, at which point meetings will be held with the Post-Dispatch, Business Journal, and other St. Louis media radio and television. We will use the media when we reach a point of success or a key vote, but will not have a proactive strategy up front. We will “back-in” the politicians so they get the success bonus when goals are reached. When the timing is right, an Ed board will be scheduled with the Post-Dispatch. Our initial upward focus will be gaining the support of the Post and Business Journal.

Responsibilities: Fleming (Post-Dispatch), Stone/Barklage (Business Journal)

A lobbying team will be engaged in two waves. The first wave will consist of the St. Louis City (Boyd), Hub Commission (Van Eaton), RCGA (Casteel) and Missouri Chamber (Mehan), while the second will consist of the County (Bardgett), Labor (Kelley), Agriculture (Patek, Farm Bureau), and the rest of the business groups (AIM, MAM, etc.).

Responsibilities: Barklage (scheduling)

Potts, Douglas

From: Fleming, Dick [dfleming@stlrcga.org]
Sent: Thursday, April 28, 2011 12:56 PM
To: Jason Van Eaton
Cc: Walsh, Michele; assistant Ehlmann; Butchko, Karen; Holyfield, Felicia; Hollins, Edna; assistant Keith; assistant Kerr; assistant McClure; assistant Mehan; assistant Rhonda; assistant Stone; Brain Weiler; Chris Chung; Dan Mehan; David Kerr; Coleman, Denny; Potts, Douglas; Jason Van Eaton; Jeff Rainford; Jennifer George; Joe Pestka; Steiger, Joyce; Kevin Keith; Lancaster, David S.; Jones, Mike; Michael Wang; Rhonda Hamm-Niebruegge; Richard McClure; Sallie Hemenway; Stacey Putnam; Stephen Perry; Steve Ehlmann; Steven M. Stone; Johnson, Steve; Nowak, Tim; Tom Irwin
Subject: Re: Aerotropolis Bill update

Concur on kudos to Senator Schmitt. By phone, he joined a panel of Ed Monser, Mayor Slay, Jeff Rainford, Rhonda, David Barklage, Steve and me at the RCGA Board of Directors meeting this morning in debriefing our Board on the important breakthroughs that took place last night in the Senate.

Congrats and thanks to all who have and continue to work so hard to get us to this point.

Dick

Sent from my iPhone

On Apr 28, 2011, at 9:26 AM, "Jason Van Eaton"
<<<mailto:jason@spectrumcgllc.com>>jason@spectrumcgllc.com<<mailto:jason@spectrumcgllc.com>>>
wrote:

As everyone probably knows by now, the Aerotropolis substitute amendment passed the Senate as a part of a larger economic development package early this morning. There are several articles out this morning that review the process and final product. Bottom line, it has now passed the House and Senate but in different forms and different bills. There is still much work to do before this becomes law but last night was a major hurdle.

Thanks to everyone that played a role in this accomplishment.

There were many people involved in making this happen but please join me in recognizing Senator Schmitt's leadership and diligence. Without his absolute commitment to this bill, there is no way we would have gotten it this far.

FYI--there were some changes to the original package that reduced the overall price tag to \$360m over 15 years, but the bulk of the package remained intact.

Thanks,
Jason

Jason Van Eaton
P.O. Box 7056
Columbia, MO 65205-7056

573/256-2111 Work
573/808-3922 Cell

Potts, Douglas

From: Jeff Rainford [RainfordJ@stlouiscity.com]
Sent: Thursday, April 28, 2011 10:27 AM
To: 'David Kerr'; 'assistant Kerr'; 'Sallie Hemenway'; David S." "Lancaster; Rhonda Hamm-Niebruegge; Stacey Putnam; Vicki Ware; 'Tom Irwin'; 'Michael Wang'; 'Stephen Perry'; 'Chris Chung'; 'assistant Mehan'; 'Dan Mehan'; 'Brain Weiler'; 'Joe Pestka'; 'Kevin Keith'; 'assistant Keith'; 'Jennifer George'; 'Steve Ehlmann'; 'assistant Ehlmann'; Coleman, Denny; Potts, Douglas; Steiger, Joyce; Walsh, Michele; Jason Van Eaton; Hollins, Edna; Jones, Mike; 'Richard C. D. Fleming'; 'assistant Johnson'; 'assistant Fleming'; 'Steven S. Johnson'; 'assistant Stone'; 'Steven M. Stone'; 'Richard McClure'; 'assistant McClure'; Nowak, Tim
Subject: Re: Aerotropolis Bill update

I want to second what Jason said about the senator.

As he said, we have more work to do.

But, the Hub Commission deserves a great deal of credit for the work on this legislation, and putting us in a position to be able to use it.

I will not be able to attend the award ceremony. But, it is well deserved.

Thanks,

Jeff

>>> "Jason Van Eaton" <jason@spectrumcglc.com> 4/28/2011 9:31 AM >>>

As everyone probably knows by now, the Aerotropolis substitute amendment passed the Senate as a part of a larger economic development package early this morning. There are several articles out this morning that review the process and final product. Bottom line, it has now passed the House and Senate but in different forms and different bills. There is still much work to do before this becomes law but last night was a major hurdle.

Thanks to everyone that played a role in this accomplishment.

There were many people involved in making this happen but please join me in recognizing Senator Schmitt's leadership and diligence. Without his absolute commitment to this bill, there is no way we would have gotten it this far.

FYI—there were some changes to the original package that reduced the overall price tag to \$360m over 15 years, but the bulk of the package remained intact.

Thanks,
Jason

Jason Van Eaton
P.O. Box 7056
Columbia, MO 65205-7056

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Potts, Douglas

From: Fleming, Dick [dfleming@stlrcga.org]
Sent: Wednesday, April 20, 2011 10:34 AM
To: 'Brian.Weiler@modot.mo.gov'; 'chris@missouripartnership.com'; 'dmehan@mochamber.com'; 'david.kerr@ded.mo.gov'; Coleman, Denny; Potts, Douglas; 'rainfordj@stlouiscity.com'; 'jgeorge@sccmo.org'; 'joseph.pestka@modot.mo.gov'; Steiger, Joyce; 'Kevin.Keith@modot.mo.gov'; 'DSLancaster@flystl.com'; Jones, Mike; 'Michael@jjp-ltd.com'; 'rkhamm-niebruegge@flystl.com'; 'richard_mcclure@unigroupinc.com'; 'sallie.hemenway@ded.mo.gov'; 'SLPutnam@flystl.com'; 'stephen@lexcorltd.com'; 'sehlmann@sccmo.org'; 'smstone@stoneleyton.com'; Johnson, Steve; Nowak, Tim; 'tirwincp@gmail.com'; Fleming, Dick
Subject: Aetropolis Article in USA Today

As I mentioned on this morning's call, USA Today did a feature story on Aerotropolis efforts in several regions around the country, discussing this emerging new form of economic development. We're clearly on the right track...

<http://www.usatoday.com/money/industries/travel/2011-04-19-airports-as-commerce-hubs.htm?loc=interstitialskip>

Above is a link to the story.



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Potts, Douglas

From: Audrey Spalding [audrey.spalding@showmeinstitute.org]
Sent: Monday, April 25, 2011 3:38 PM
To: Potts, Douglas
Subject: RE: Request for study of economic viability of China Hub

Thank you! Please let me know when it is available.

From: Potts, Douglas [mailto:dpotts@slcec.com]
Sent: Monday, April 25, 2011 3:37 PM
To: Audrey Spalding
Subject: RE: Request for study of economic viability of China Hub

Audrey,

I am fairly certain that the study is not yet complete, but it is possible that they will complete it earlier than I relayed. RCGA is currently undertaking the study in question and I will contact Steve Johnson there for an update on progress.

Douglas A. Potts
Project Manager, Midwest-China Hub Commission
St. Louis County Economic Council

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From: Audrey Spalding [mailto:audrey.spalding@showmeinstitute.org]
Sent: Monday, April 25, 2011 3:11 PM
To: Potts, Douglas
Subject: RE: Request for study of economic viability of China Hub

Douglas,

Thank you for quick response. I am checking back with you only because of testimony provided last week by Rhonda Hamm-Niebruegge. At the state senate hearing of the Aerotropolis bill, she testified that the study might be completed sooner than late May or in June.

Is the RCGA study now complete? Is it available?

Thank you again,
--Audrey

From: Potts, Douglas [<mailto:dpotts@slcec.com>]
Sent: Wednesday, April 13, 2011 4:32 PM
To: Audrey Spalding
Cc: Hendrix, Corrie; Jamboretz, Kathryn
Subject: RE: Request for study of economic viability of China Hub

Audrey,

Thanks for your interest. The study you refer to is still underway but very close to completion. The St. Louis RCGA is spearheading the impact analysis with possible completion and release of findings to come at the end of next month or June. The findings of the analysis will be made public at that time. Please let me know if you have any additional questions.

Douglas A. Potts
Project Manager, Midwest-China Hub Commission
St. Louis County Economic Council

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From: Audrey Spalding [<mailto:audrey.spalding@showmeinstitute.org>]
Sent: Wednesday, April 13, 2011 12:48 PM
To: Potts, Douglas
Cc: Hendrix, Corrie
Subject: Request for study of economic viability of China Hub

Hello,

I am trying to locate the study promised in 2010 that would prove a business case for the China Hub project. The study I am looking for is the one that Mike Jones promised as forthcoming in the *St. Louis Post-Dispatch* in August 2010.

Is that study complete? And how can I obtain a copy?

Thank you for your help,
--Audrey

Audrey Spalding
Policy Analyst
Show-Me Institute

4512 W. Pine Blvd.
St. Louis, Missouri 63108
office: (314)454-0646
fax: (314)454-0667

Potts, Douglas

From: Nowak, Tim
Sent: Monday, April 04, 2011 2:02 PM
To: Potts, Douglas
Subject: FW: The St Louis New China Gateway

Importance: High

Send to Mike Jones and Rhonda.

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<http://www.worldtradecenter-stl.com/>

From: Potts, Douglas
Sent: Monday, April 04, 2011 2:02 PM
To: Nowak, Tim
Subject: FW: The St Louis New China Gateway
Importance: High

Tim,

Who should I direct this request to? I'm happy to follow-up with Oliver to inform him of who would conduct this interview and when. After conducting some prelim research this publication appears to be well-followed within the airport community.

Douglas A. Potts
Project Manager, Midwest-China Hub Commission
St. Louis County Economic Council

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From: Oliver Clark [<mailto:oliver@globalairportcities.com>]
Sent: Monday, April 04, 2011 12:17 PM

To: Potts, Douglas
Subject: The St Louis New China Gateway

Dear Doug,

I am the editor of Global Airport Cities, an international magazine and news website which covers airport city and aerotropolis projects around the world.

I'm currently working on a news story for our next newsletter covering the recent trade delegation from China to St Louis to move the China hub concept forward and also the current efforts of Senator Schmitt and others to get the MO SB390 'Aerotropolis Tax Credit' passed into law. This newsletter will be going out to our 12,000 industry readers but also to delegates at next week's Airport Cities conference in Memphis, our annual aerotropolis event: <http://www.globalairportcities.com/about-airport-cities-20112>

I was wondering if you would have some free time tomorrow morning your time for a telephone call to discuss the China Hub project in more detail? If so do you have any background documents you could send me for preparation?

Kind regards

Oliver Clark
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[Global Airport Cities Website](http://www.globalairportcities.com/)

Potts, Douglas

From: Alexander Lee [asl@grstillaw.com]
Sent: Wednesday, April 13, 2011 5:20 PM
To: Potts, Douglas; 'JWang@hinshawlaw.com'
Subject: RE: MAABA Unity Dinner and Special Request

Follow Up Flag: Follow Up
Flag Status: Completed

Hi Doug,

Sorry for the delayed response. Have been absolutely slammed. Yes, it will be a brief letter, but I can have it mailed out to Sen. Schmitt by tomorrow on MAABA letterhead. I assume it goes to his Senate address in Jeff City? Please let me know.

Alex

From: Potts, Douglas [mailto:dpotts@slcec.com]
Sent: Wednesday, April 13, 2011 2:00 PM
To: Alexander Lee; 'JWang@hinshawlaw.com'
Subject: MAABA Unity Dinner and Special Request
Importance: High

Alex and Johnny,

Told you I'd have RSVPs for the Unity Dinner by today. I have four⊗ There is a possibility there will be a fifth but can't say for sure right now.

1. Doug Potts – Midwest-China Hub Commission
2. David Lancaster – Freight Director, Lambert St. Louis International Airport
3. Sen. Eric Schmitt – Chair of Economic Dev. Committee, Missouri State Senate?
4. Steven Stone – Stone, Leyton, & Gershman?
5. ???

On a more important note, I mentioned to you Alex about possibly drafting a letter of support for SB390 – Aerotropolis from MAABA. Just this morning I received word that for any letters of support to be useful, we really need to have them in hand by Friday. Do you think this is possible? Let me know if and how I can assist. Such a letter would be directed to Sen. Schmitt. Thanks as always and I'm looking forward to next Thursday☺

Douglas A. Potts
Project Manager, Midwest-China Hub Commission
St. Louis County Economic Council

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Potts, Douglas

From: Nowak, Tim
Sent: Tuesday, April 05, 2011 10:52 AM
To: Potts, Douglas; Mullins, Sean
Subject: FW: Aerotropolis Bill debate

Tim J. Nowak
Executive Director
World Trade Center Saint Louis
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From: Coleman, Denny
Sent: Tuesday, April 05, 2011 10:44 AM
To: Nowak, Tim
Subject: FW: Aerotropolis Bill debate

Denny Coleman, CEcD, FM
President & CEO
St. Louis County Economic Council
121 S. Meramec Avenue, Suite 900
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314.615.7663 – main
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*Missouri's only
Accredited Economic
Development Organization*

From: John Bardgett [<mailto:john@bardgett.net>]
Sent: Tuesday, April 05, 2011 10:18 AM
To: Ruben, Andrew; Coleman, Denny; Rasmussen, Douglas; Earls, Garry; Jones, Mike; Curran, Thomas
Subject: Aerotropolis Bill debate

SB 390 – the Aerotropolis bill, has just been taken up for debate in the senate, you can listen by going to the following and clicking on Live Debate for Senate.
<http://www.senate.mo.gov/>

John Bardgett

John Bardgett & Associates

Jefferson City office: 573-634-8760

St. Louis office: 636-530-9392

john@bardgett.net

Nowak, Tim

From: Michael Hafner [mhafner44@gmail.com]
Sent: Sunday, March 06, 2011 9:46 PM
To: smstone@stoneleyton.com; ESchmitt@lathropgage.com; RainfordJ@stlouiscity.com; dfleming@stlrcga.org; rboyd@snrdenton.com; davidbarklage@gmail.com; ccasteel@stlrcga.org; sjohnson@stlrcga.org; Nowak, Tim; dpmehan@mochamber.com; michaelwesleyjones@hotmail.com; Jones, Mike; Coleman, Denny; jason@spectrumcgllc.com; rkhamm-niebruegge@flystl.com
Cc: kkokesh@stoneleyton.com; Kack Haslag; dunsfordh@stlouiscity.com; Shawn Furey
Subject: SB 390 Conference Call - 9:15am TOMORROW - Monday, March 7
Attachments: SB 390 - Introduced.pdf; SB 390 - Summary.doc; SB 390 Legislative Timeline - Line by Line.doc; Aerotropolis Act-Message F Final.docx; 030711 Agenda.doc

All,

We are having a conference call tomorrow morning, Monday, March 7 at 9:15am to discuss SB 390. An agenda and supporting documents are attached. Jeff will kick off the call, Dick will give a historical background and make some remarks on RCGA's role, Sen. Schmitt will talk about the legislation, Steve will go over the legal and technical aspects of the bill and David will close the call by speaking on the lobbying/political strategy. Dial-in information is below. Steve and Rhonda, please note you will be using the international dial-in.

SB 390 Conference Call

Monday, March 7, 2011, 9:15am

Domestic call-in: 1-888-891-0496

International call-in: 1-719-785-4487

Participation code: 795483#

Please let me know if you have any questions, my number is 314-504-6148.

Thank you,
Mike

--

Michael Hafner
Barklage Company
mhafner44@gmail.com
314-504-6148

Nowak, Tim

From: Jenn Poeppelmeier [jenn@spectrumcgllc.com]
Sent: Wednesday, March 09, 2011 5:04 PM
To: 'Brain Weiler'; 'Chris Chung'; Dan Mehan; 'David Kerr'; David S. Lancaster; Coleman, Denny; Potts, Douglas; Jason Van Eaton; Jeff Rainford; 'Jennifer George'; 'Joe Pestka'; Steiger, Joyce; 'Kevin Keith'; Jones, Mike; 'Michael Wang'; Rhonda Hamm-Niebruegge ; Richard C. D. Fleming; 'Richard McClure'; 'Sallie Hemenway'; 'Stacey Putnam'; Stephen Perry; 'Steve Ehlmann'; Steven M. Stone; Steven S. Johnson; Nowak, Tim; Tom Irwin
Cc: Walsh, Michele; 'assistant Ehlmann'; 'assistant Fleming'; 'assistant Johnson'; Hollins, Edna; 'assistant Keith'; 'assistant Kerr'; 'assistant McClure'; 'assistant Mehan'; 'assistant Rhonda'; 'assistant Stone'
Subject: MCHC IN PERSON meeting next Wednesday March 16th
Attachments: 3-16-2011 MCHC Full Mtg Agenda.pdf

Board Members,

Attached is the agenda for the Midwest China Hub Commission's meeting scheduled for next Wednesday, March 16th. The March meeting was scheduled to be by conference call. The Executive Committee elected to change that to an in person meeting so the Board can hear a presentation on the newly introduced Senate Bill 390 legislation; a summary of which is attached to the agenda. If you are unable to join in person we will be using the same conference call number and code we have used for previous calls:

US: 1-888-619-1583
China: 10 800 714 1201
UK: 20 7082 0222
Code: 906 751 4895

Thank you,
Jenn

Jenn Poeppelmeier
Spectrum Consulting Group, LLC
Work: 573-256-2111
Fax: 866-473-1425
Cell: 314-795-7833

Nowak, Tim

From: Nowak, Tim
Sent: Tuesday, March 22, 2011 1:06 PM
To: Mullins, Sean

1. Air Export tax credit –

- a. Senate Bill 390 provides qualifying freight forwarders air export tax credits not to exceed \$60 million beginning July 1, 2011 and ending June 30, 2019.
- b. \$60 million over eight years may be sufficient for moderate growth using ten or fewer planes per week, estimated 8% annual air export increase and catchment area market share capped at or near 25%.
- c. However, route expansion beyond China is considered possible and essential to long-term Lambert success. The Aerotropolis summary specifically highlights this goal and suggests that it is “designed to grow early, twice a week, flight activity into a more robust twenty or more flights per week.”
- d. Based on our analysis, subsidy consumption could easily exceed the \$60 million cap by freight forwarders entitled to air export tax credits for shipments to additional routes to South America, Europe, Russia, India, and others.
- e. Many unknowns remain such as: catalysts for increased flights, cargo market share capture, background analysis, etc.

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Nowak, Tim

From: Nowak, Tim
Sent: Tuesday, March 22, 2011 1:56 PM
To: Mullins, Sean
Subject: RE:

Thanks

Tim J. Nowak
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From: Mullins, Sean
Sent: Tuesday, March 22, 2011 1:45 PM
To: Nowak, Tim
Subject: RE:

Tim

My responses in red.

Sean

From: Nowak, Tim
Sent: Tuesday, March 22, 2011 1:06 PM
To: Mullins, Sean
Subject:

1. Air Export tax credit –
 - a. Senate Bill 390 provides qualifying freight forwarders air export tax credits not to exceed \$60 million beginning July 1, 2011 and ending June 30, 2019. *The WTC believes the \$60 million could be sufficient to sustain low/steady growth to China and possibly a second export destination to Latin America. However, current WTC models have trouble predicting what amount may be best for immediate high growth to two export destinations. A rough guess would be around \$150 million but we are still running numbers.*
 - b. \$60 million over eight years may be sufficient for moderate growth using ten or fewer planes per week, estimated 8% annual air export increase and catchment area market share capped at or near 25%. *It should be noted that this estimate does leaves a remainder of \$11 million after 8 years, but is short of the desired goal of 20 flights per week.*
 - c. However, route expansion beyond China is considered possible and essential to long-term Lambert success. The Aerotropolis summary specifically highlights this goal and suggests that it is “designed to

grow early, twice a week, flight activity into a more robust twenty or more flights per week." *To achieve a demand of 20 or more flights per week, in the WTC's opinion, would require near volcanic demand. The WTC is unsure if \$60 million is the appropriate number to stimulate such enormous demand.*

- d. Based on our analysis, subsidy consumption could easily exceed the \$60 million cap by freight forwarders entitled to air export tax credits for shipments to additional routes to South America, Europe, Russia, India, and others. *Brazil is the Midwest Catchment Area's top export destination at around 40 million kilos per year. \$60 million could support both China and a Brazil/Latin America connection only if growth were slow/steady initially.*
- e. Many unknowns remain such as: catalysts for increased flights, cargo market share capture, background analysis, etc. *There are a number of factors to consider in how export tax incentives play out. The WTC feels a central question should be asked here: does St. Louis want slow/steady growth or immediate/explosive growth? And at what \$ value could the export tax incentive be politically palatable.*

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Nowak, Tim

From: Nowak, Tim
Sent: Tuesday, March 22, 2011 2:50 PM
To: Earls, Garry; Dooley, Charlie; Jones, Mike
Cc: Ruben, Andrew; Coleman, Denny; Grant, Robert; Curran, Thomas; Rasmussen, Douglas
Subject: SB 390 Analysis
Attachments: Executive Summary SB 390 analysis.docx; SB390 Legal Analysis.docx; SB 390 Air Export Tax Credit Analysis.pptx; Real Estate Incentive Analysis SB 390 (rev 3-21-11).xlsx; Developable Property Near Airport - FINAL.pdf

Please see the attached Executive Summary and supporting material. We will bring printed copies to the 4:00pm meeting.

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Review of Senate Bill 390

The Aerotropolis Trade Incentive and Tax Credit Act

Executive Summary

There is consensus that Missouri can and should compete globally by building on its economic strengths, developing successful partnerships and leveraging its assets. The Midwest China Hub Commission is an example of one such partnership that through the “Big Idea” is positioning Missouri as a new gateway for global trade and investment.

The right economic development tools are essential to now provide the mechanism to attract and grow air cargo volumes shipped from Lambert airport to global markets. The success of this cargo hub and export growth will lead to the creation of a commercial hub and the attraction of long-term investment, new construction and permanent job creation.

With this understanding, we have analyzed Senate Bill 390, which includes five categories of direct incentives:

1. The ‘Air Export’ tax credits, which provides for a tax credit of \$.25-\$.30/kilo on all outbound air cargo, with a total incentive cap of \$60 million;
2. A ‘Real Estate’ tax credits, which provides for reimbursement of ‘eligible costs’ to the owner of specific facilities developed within a ‘gateway zone’, with a total incentive cap of \$300 million;
3. A ‘Qualifying Interest Cost’ tax credits, which provides for credits against interest costs to develop such facilities, with a total incentive cap of \$120 million;
4. Up to eight years of exemption from State Corporate Income or Franchise Tax for any ‘tenant or entity operating within an eligible facility’; there is no cap on this incentive; and
5. The retention of fifty percent of state income tax withheld on behalf of employees by any ‘tenant or entity operating in an eligible facility’ (equal to approximately 1.5% of payroll); there is no cap in this incentive.

The first three incentives are capped at an aggregate amount of \$480 million. However, there does not appear to be a cap on the state income/franchise tax incentives, and there is no basis for estimating the ‘cost’ of these incentives.

Specific Analysis:

1. Air Export tax credit –
 - a. Senate Bill 390 provides qualifying freight forwarders air export tax credits not to exceed \$60 million beginning July 1, 2011 and ending June 30, 2019.
 - b. \$60 million over eight years may be sufficient for moderate growth using ten or fewer planes per week, estimated 8% annual air export increase and catchment area market share capped at or near 25%.
 - c. However, route expansion beyond China is considered possible and essential to long-term Lambert success. The Aerotropolis summary specifically highlights this goal and suggests that it is “designed to grow early, twice a week, flight activity into a more robust twenty or more flights per week.”

- d. Based on our analysis, subsidy consumption could easily exceed the \$60 million cap by freight forwarders entitled to air export tax credits for shipments to additional routes to South America, Europe, Russia, India, and others.
- e. Many unknowns remain such as: catalysts for increased flights, cargo market share capture, background analysis, etc.

2. Real Estate tax credits and Qualifying Interest Costs –

We believe that the additional/new incentives proposed by SB 390 would materially facilitate the development of necessary cargo/freight forward infrastructure and related development which is critical to the ultimate success of the goals underlying SB 390. However, the following points may be relevant:

- a. As shown in the attached models, \$192 million in prospective incentives are currently available at the major development sites located at or near Lambert Airport. These incentives include SuperTIF, New Market Tax Credits (Allocation from HRIF), Enhanced Enterprise Zone Tax Credits, Real Property Tax Abatement (Ch 99, Ch 100, EEZ), Personal Property Tax Abatement (Ch 100), Sales Tax Exemption Building Materials (Ch 99, Ch100), Chapter 353 Tax Abatement (Real Property) and Local Option Sales Tax Incentive Fund (Hazelwood);
- b. When added to the funds already spent on TIF and Brownfield Tax Credits in this area, the amount exceeds \$285 million in incentives (spent and prospective); and
- c. Additional programs that could be brought to bear include Missouri BUILD, MO Quality Jobs, New Jobs Training or Customized Training and Foreign Trade Zone advantages.

3. State Income/Franchise Tax Exemption’ –

- a. The lack of detail in the state income tax exemption provisions could lead to situations where this incentive could be manipulated. If nothing else, it will raise significant political questions and may be difficult or impossible to defend without a cap. This may also have been an oversight on the part of the bill’s drafters, but since we were not included in that process, we cannot tell whether it was an error or intentional.

4. Other Legal Issues –

- a. Finally, as set forth in the attached memo, a number of other provisions of SB 390 currently raise additional questions about the overall implementation of the bill, including, among other issues: (i) the definition of ‘eligible costs’ and ‘cargo activity’, (ii) the application and allocation of specific incentives between ‘owner’s’, ‘tenants’ and ‘entity’s operating within’ an eligible facility, and (iii) the role of DED in the implementation of the legislation and the adjustment of tax credit levels from year to year.

Summary legal review of SB 390

First, I concur with the points previously raised by Bob Grant relating to areas of ambiguity and constitutionality relating to the procedures for the dedication of 'gateway zones', the distribution of special allocation revenue, and management of these funds. I understand that he will be commenting separately on these issues in greater depth.

Second, I think that there is an overarching issue which needs to be considered, which is that the total 'cost' of the proposed bill is likely significantly greater than was originally represented. Specifically, there are five (not three) categories of incentives under the bill. The three we have been discussing to date are:

- 1) The 'Air Export' tax credits, with a total cap of \$60 million (See 135.1507-11);
- 2) The 'Real Estate' tax credits, with a total cap of \$300 million (See 135.1513.1(3) and (4) and 135.1517.1);
- 3) The 'Qualifying Interest Costs' tax credits, with a total cap of \$120 million (See 135.1513.1(5) and 135.1517.2).

These three programs are capped at an aggregate amount of \$480 million.

However, Section 135.1513.1(1) provides for up to eight years of exemption from State Income tax or Franchise Tax for any 'tenant or entity operating within an eligible facility', while Section 135.1513.1(2) provides for the retention of fifty percent of state income tax withheld on behalf of employees by any 'tenant or entity operating in an eligible facility', which I understand to be approximately 1.5% of payroll. Most critically, a close read of Section 135.1517 indicates (by omission) that there is NO cap placed on the total cost to the state of these two programs.

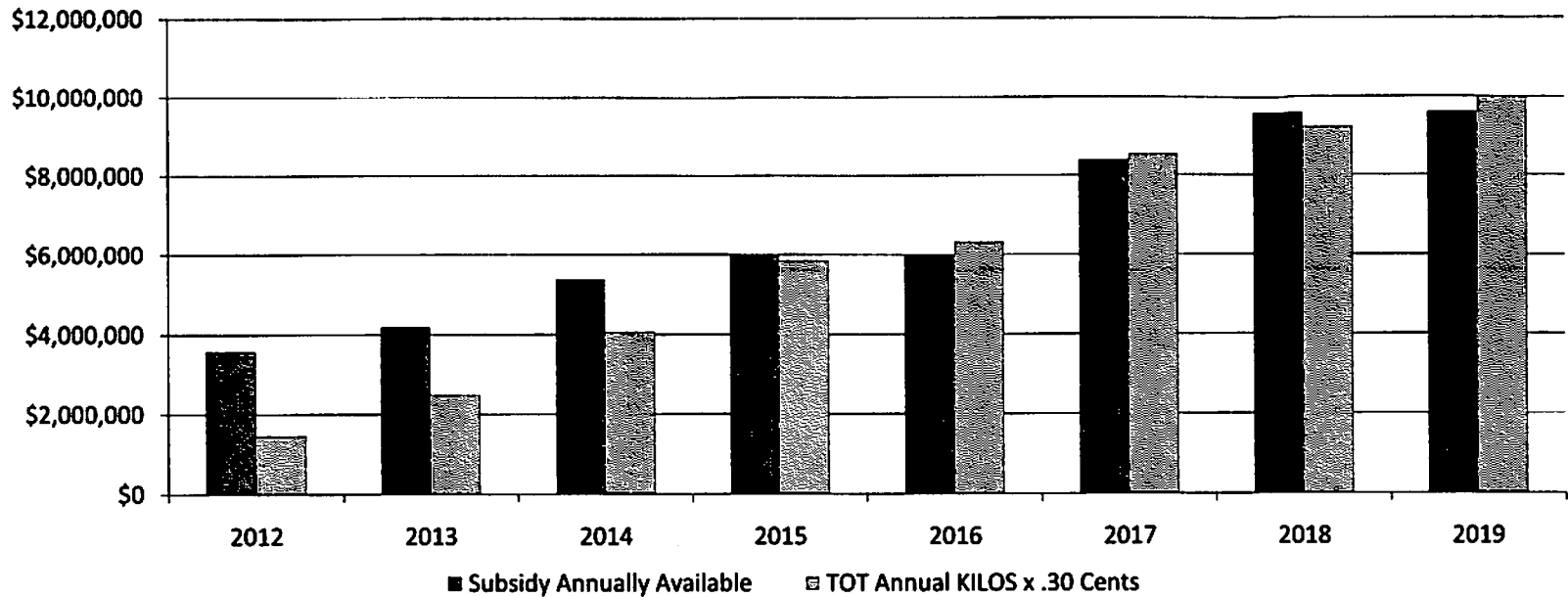
As a result, I don't think that there is any way to accurately estimate the cost of the bill, as currently drafted, except to say that it would most likely be significantly higher than the \$480 million figure noted above. In addition, and separate and apart from the total cost issue, I am concerned that the lack of detail in the state income tax exemption provisions could lead to situations where this incentive could be manipulated. If nothing else, it will raise significant political questions and may be difficult or impossible to defend without a cap. This may also have been an oversight on the part of the bill's drafters, but since we were not included in that process, I cannot tell whether it was an error or intentional.

Finally, set forth below are some other comments with respect to the legislation generally:

- The definition of 'cargo activity' is extremely broad, and specifically includes facilities related to truck, rail and water transportation; this may be appropriate, but may incentivize facilities that have only a limited relationship to the Air Cargo facility;
- The definition of 'eligible costs' includes a number of categories which could, without clarification, have the effect of providing reimbursement for losses and costs incurred prior to the passage of the legislation and unrelated to the development activity which the bill is trying to incentivize;

- Many of the incentives are drafted to be equally applicable to 'owner's', 'tenants' and 'entity's operating within' an eligible facility...my concern is that without clarification, there may be ways to 'stack' incentives based upon the underlying ownership structure of the facility. This will need to be clarified.
- I believe that the definition of a 'Gateway Zone' should also include an area owned or managed by a county port authority;
- The definition of 'Level One' and Level Two' air cargo activity provides that the calculation can be based on chargeable kilos shipped on an inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility." It is not clear to me why this clause has been included, but I can see the potential for confusion or manipulation based upon this language; and
- Section 135.1507 provides that DED will adjust the amount of the Air Export tax credits each year based upon fluctuations in the cost of fuel for over-the-road transportation...I assume that means that it will adjust the 'per kilo' amount based upon changes in gas prices, but it is not entirely clear, and even if this is the case, it would affect our projections as to the anticipated expenditure of the Air Export tax credits over time.

Freight Forwarder Annual Tax Credits Available / Est.



Scenario #5: 8% Growth in Air Cargo and Variable% of Catchment Area Market Share

	2012	2013	2014	2015	2016	2017	2018	2019
	6%	10%	15%	20%	20%	25%	25%	25%
	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Plane Capacity Kilos	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Per Flight Kilos	31,923	53,813	65,383	75,322	81,347	78,442	74,128	80,058
Weekly Kilos	95,769	161,440	261,533	376,608	406,737	549,095	593,022	640,464
Annual Kilos	4,979,988	8,394,899	13,599,736	19,583,620	21,150,309	28,552,918	30,837,151	33,304,123
Subsidy weekly <u>USED (.30)</u>	\$28,731	\$48,432	\$78,460	\$112,982	\$122,021	\$164,728	\$177,907	\$192,139
TOT Annual KILOS x <u>.30 Cents</u>	\$1,493,996	\$2,518,470	\$4,079,921	\$5,875,086	\$6,345,093	\$8,565,875	\$9,251,145	\$9,991,237
Subsidy Annually Available	\$3,600,000	\$4,200,000	\$5,400,000	\$6,000,000	\$6,000,000	\$8,400,000	\$9,600,000	\$9,600,000
Subsidy Annually REMAINING	\$2,106,004	\$1,681,530	\$1,320,079	\$124,914	(\$345,093)	(\$165,875)	\$348,855	(\$391,237)
Subsidy TOTAL REMAINING	\$58,506,004	\$55,987,534	\$51,907,613	\$46,032,527	\$39,687,434	\$31,121,559	\$21,870,414	\$11,879,177
Min Est Flights Weekly Needed	3	3	4	5	5	7	8	8
4th Year <u>FIXED</u> Option	\$3,600,000	\$4,200,000	\$5,400,000					
4th Year <u>FLIGHT</u> Option				\$6,000,000	\$6,000,000	\$8,400,000	\$9,600,000	\$9,600,000

Summary

- Senate Bill 390 provides qualifying freight forwarders air export tax credits not to exceed \$60 million beginning July 1, 2011 and ending June 30, 2019.
- \$60 million over eight years may be sufficient for moderate growth using ten or fewer planes per week, estimated 8% annual air export increase and catchment area market share capped at or near 25%.
- However, route expansion beyond China is considered possible and essential to long-term Lambert success. The Aerotropolis summary specifically highlights this goal and suggests that it is “designed to grow early, twice a week, flight activity into a more robust twenty or more flights per week.”
- Based on analysis, subsidy consumption could easily exceed the \$60 million cap by freight forwarders entitled to air export tax credits for shipments to additional routes to South America, Europe, Russia, India, and others.
- Many unknowns remain such as: catalysts for increased flights, cargo market share capture, background analysis, etc.

	Hazewood Commerce Center	Aviator Business Park	Airport Property # 1	Airport Property # 2	North Park (phase 2)	TOTAL
Total Acreage	165 acres	160 acres	88 acres	116 acres	200 acres	729 acres
Total Available Developable Acreage-Industrial	120 acres	160 acres	58 acres (minus 600,000 sf Mag site on approx 30 acre site)	116 acres	200 acres	654 acres
Total Estimated Square Footage to be Developed (assume 35% coverage)	1,829,520	2,439,360	684,268	1,768,536	3,049,200	9,970,884
Capital Investment- Industrial Real Property (Assume \$63/sf)	\$118,918,800	\$158,558,400	\$57,477,420	\$114,954,840	\$198,198,000	\$648,107,460
Personal Property Investment (Assume \$5,000,000 per 100,000 sf Industrial)	\$91,476,000	\$121,968,000	\$44,213,400	\$88,426,800	\$152,460,000	\$498,544,200
Permanent Jobs Created in Airfreight Forwarding/Supply Chain/Distribution (Assume 30 jobs every 100,000 sf Industrial)	549	732	265	531	915	2991
New Gross Payroll (Assume \$40,000 per year average wage)	\$21,954,240	\$29,272,320	\$10,611,216	\$21,222,432	\$36,590,400	\$119,650,608
Incentive Value (by Program/Site)						
Redevelopment Incentives (Authorized/Expended)						
TIF	\$17,055,000	\$0	\$0	\$0	\$57,500,000	\$74,555,000
Brownfield Tax Credits	\$8,000,000	\$5,000,000	\$0	\$0	\$6,000,000	\$19,000,000
SuperTIF	\$0	\$0	\$0	\$0	\$0	\$0
Total (Redevelopment Incentives Authorized/Expended)	\$25,055,000	\$5,000,000	\$0	\$0	\$63,500,000	\$93,555,000
SuperTIF	\$0	\$0	\$0	\$0	\$9,479,383	\$9,479,383
Net Equity from New Market Tax Credits (Allocation from HRIF)	\$0	\$530,000	\$530,000	\$530,000	\$530,000	\$2,120,000
Enhanced Enterprise Zone Tax Credits	\$6,217,322	\$8,289,763	\$3,005,039	\$6,010,078	\$9,727,530	\$33,249,732
Real Property Tax Abatement (Ch 99, Ch 100, EEZ)	\$12,953,239	\$0	\$5,626,443	\$11,252,886	\$21,927,281	\$51,759,849
Personal Property Tax Abatement (Ch 100)	\$4,431,835	\$6,838,384	\$1,896,463	\$3,792,926	\$7,603,806	\$24,563,414
Sales Tax Exemption Building Materials (Ch 99, Ch100)	\$3,329,726	\$0	\$1,609,368	\$3,218,736	\$5,549,544	\$13,707,374
Chapter 353 Tax Abatement (Real Property)	\$0	\$54,598,659	\$0	\$0	0	\$54,598,659
Local Option Sales Tax Incentive Fund (Hazewood)	\$1,250,000	\$1,250,000	\$0	\$0	\$0	\$2,500,000
Total (Prospective Incentives)	\$28,182,122	\$71,506,806	\$12,667,313	\$24,804,626	\$54,817,544	\$181,978,411
GRAND TOTAL (Authorized/Expended + Prospective)	\$53,237,122	\$76,506,806	\$12,667,313	\$24,804,626	\$118,317,544	\$285,533,411

Other Programs (Not Quantifiable without specific project)

Missouri BUILD

MO Quality Jobs

New Jobs Training or Customized Training

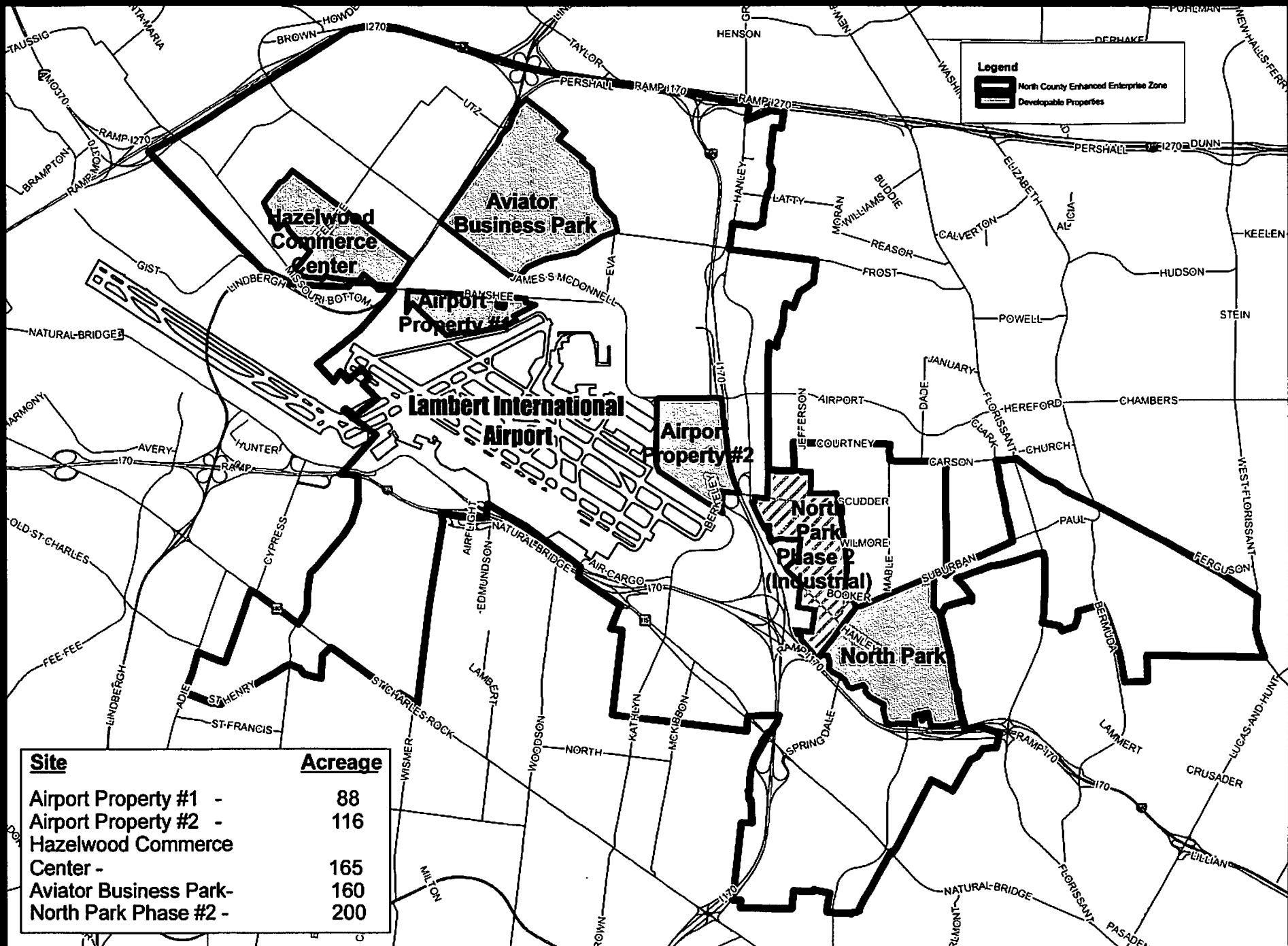
Foreign Trade Zone

Large Developable Properties Near Airport



0 3,000 6,000

Feet



Nowak, Tim

From: Nowak, Tim
Sent: Friday, May 13, 2011 9:59 AM
To: Coleman, Denny; Ruben, Andrew
Subject: RE: Late night session

Andrew – I sent the following to Denny this morning. Update from Dan Mehan at 3:48am this morning:

We recently concluded a series of meetings in the Capitol that have had to have happened if we were to be able to give Aerotropolis and the rest of the eco-devo measures a chance of passing. Earlier yesterday, the bill was considered by most, including most ardent supporters, to have no chance.

A day of contentious legislative activity concluded with refusals of the legislative chambers to look at each others eco-devo/credit reform proposals. We were dead.

Rep. John Diehl contacted me late last night which led to a meeting between Tracy and I with House Leadership regarding differences in the House and Senate versions of tax credit reform and how it had hamstrung the eco-devo package. The Senate and House were too far apart at this point to agree to anything.

During that meeting we stressed the importance of engaging in communication to try to resurrect any chance of resolution of differences and passage of Aerotropolis and asked if House leaders would meet with the key Senators. We arranged a meeting between Diehl, Speaker Tilley, Sen. Schmitt, and Sen. Lager. Luckily our insomniac Steve Stone was still in the Capitol and was able to participate. This was very productive to get earnest discussions about positions on the issues, \$ amounts of reforms, what was on/off the table, etc. Very detailed discussion with tangible takeaways related to differences in the 2 bodies' views on reform to research and work on for another meeting tomorrow at 9 am. While there are still differences and tensions, there was significant meaningful progress that revived the issue and put us back in the realm of possibility of legislative consideration tomorrow on the last day of session.

We had follow-up meetings with House and Senate Leadership. It is obvious there is a level of skepticism and mistrust between the House and Senate on a variety of issues this year, higher than I recall in past sessions. During those meetings we were able to keep the discussion going with some pretty exhausted people. Steve was able to have a conversation with Sen. Purgason, an absolutely key figure in this debate. He imparted to Steve a positive message that gave us hope for tomorrow. I'll let Steve add to that, but it is obvious that a lot of these folks are working very hard to get a positive outcome on this, many more than we had thought.

No sugar-coating. We have a long way to go, but we were dead a few times already but we have a long shot to get this done now. The smallest of problems could still blow this up, but we're in the game.

Steve, Tracy, additional thoughts?

Sent via BlackBerry by AT&T

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<http://www.worldtradecenter-stl.com/>

From: Coleman, Denny
Sent: Friday, May 13, 2011 9:53 AM
To: Nowak, Tim; Ruben, Andrew
Subject: Fwd: Late night session

Begin forwarded message:

From: "John Bardgett" <john@bardgett.net>
To: "Dooley, Charlie" <CDooley@stlouisco.com>, "Curran, Thomas" <TCurran3@stlouisco.com>, "Earls, Garry" <GEarls@stlouisco.com>, "Rasmussen, Douglas" <DRasmussen@slcec.com>, "Jones, Mike" <MWJones@stlouisco.com>, "Coleman, Denny" <DColeman@slcec.com>
Subject: Late night session

FYI – The attached really is a fairly accurate report of what went on until late in the night.

John Bardgett
John Bardgett & Associates
Jefferson City office: 573-634-8760
St. Louis office: 636-530-9392
john@bardgett.net

Nowak, Tim

From: Fleming, Dick [dfleming@stlrcga.org]
Sent: Tuesday, March 29, 2011 12:06 PM
To: Nowak, Tim
Cc: Jones, Mike; Jason Van Eaton; dmehan@mochamber.com;
Rich_McClure@unigroupinc.com; 'Steven M. Stone'; Hamm-Niebruegge, Rhonda K.;
Johnson, Steve; 'Rainford, Jeff'
Subject: RE: Indiana Tax Credits

Thanks, Tim.

Certainly affirms the premise of the Big Idea and the Missouri Aerotropolis legislation. Interesting point to note, in our initial meeting with the economic impact consultants on the St. Louis Logistics Cluster, Jim from Institute St. Onge (one of the international experts on logistics and cargo) noted that he was not aware of any other region that had calibrated its Cargo Hub/Logistics Cluster on filling the rapidly emerging need of China and Chinese carriers to serve the US market.

We anticipate having our first major report on their findings in two weeks.

Best regards,



Richard C.D. Fleming
President and Chief Executive Officer
St. Louis Regional Chamber & Growth Association (RCGA)
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St. Louis, MO 63102

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(314)444-1177 (fax)
dfleming@stlrcga.org

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From: Nowak, Tim [mailto:TNowak@worldtradecenter-stl.com]
Sent: Tuesday, March 29, 2011 10:53 AM
To: Jones, Mike; Jason Van Eaton; dmehan@mochamber.com; Rich_McClure@unigroupinc.com; 'Steven M. Stone';
Hamm-Niebruegge, Rhonda K.; Fleming, Dick; Johnson, Steve; 'Rainford, Jeff'
Subject: Indiana Tax Credits

FYI....

SOUTH BEND — The state nicknamed the “Crossroads of America” wants to become a preferred landing spot for cargo planes, but industry leaders say Indiana could have a tough time attracting flights from neighboring states because many airports are competing for the same business and freight companies are resistant to change.

The effort to attract flights from Chicago's busy O'Hare International Airport is the latest salvo in Indiana's effort to use tax cuts to draw business from Illinois, which has been raising taxes because of its state budget crisis.

State Sen. Tom Wyss, R-Fort Wayne, introduced a bill in the Indiana General Assembly that would have provided a 50 percent tax credit to companies investing in transportation or logistics operations.

The bill was stripped of most of its funding in the Senate because of budget concerns, but Wyss said he hopes some will be restored in the House after Democrats end a month-long boycott.

Bart Giesler, executive director of the Aviation Association of Indiana, said Indiana is an ideal spot for a freight hub.

“Chicago is just a bottleneck, whether it's at the airport or all the congestion on the roads,” Giesler said. “We think if you land in Indiana you can bypass all that and lower the distribution costs.”

Most of Indiana's airports are operating well below capacity. For example, Fort Wayne International Airport is at about 30 percent capacity, executive director Tory Richardson said.

Business advocates are working with companies on devising ways to increase the use of Indiana airports and those airports are working to get the word out that they have room for growth.

“We're looking at how do we change this trend of these flights going through Chicago and get this stuff going to Indy, or to Gary or to South Bend?” said David Holt, vice president of operations and business development for Conexus Indiana, a not-for-profit organization that works to boost the state's manufacturing and logistics industries.

Aviation experts say the effort will be a challenge because freight forwarders, the middlemen who act as travel agents for the nation's cargo shipments, are entrenched in large airports such as O'Hare and because airports throughout the country are trying to do the same thing.

“These are relatively underused facilities that are waiting for the handsome prince to come along and start flying into their towns,” said Brandon Fried, executive director of the Airforwarders Association.

Indiana does have some factors on its side, said Ned Laird, a Seattle-based aviation consultant. O'Hare is one of the most expensive airports to use, especially for cargo flights, because of high landing fees and the cost of ground handling. He said it probably costs 10 percent to 15 percent less to land at an Indiana airport and truck it to Chicago.

But he points out challenges as well. Laird and Jeffrey Price, an associate professor of aviation at Metropolitan State College of Denver, say improvements in trucking are cutting into the air cargo industry.

“It's generally cheaper to throw it on a truck because of the cost of air travel,” Price said.

Another challenge, Fried said, is that freight forwarders prefer to work out of big airports like O'Hare because

most international and domestic airlines fly out of those locations.

Conexus hopes some Indiana businesses can persuade freight forwarders to work out of state airports. It is surveying businesses to see how much cargo they ship and where it goes. Holt said the idea is to find companies that might be sending goods through Chicago but could save time and money by shipping through an Indiana airport.

Fried said unless Conexus can find enough businesses to fill a cargo plane on a regular basis, he doesn't think the plan will fly. He said freight forwarders would rather rent space on commercial airlines.

"Freight forwarders are asset averse. We don't like buying airplanes. We don't like owning equipment. We'd rather rent it," Fried said. "We'll let American make the investment in the airplanes and then we'll buy the available space in the belly of those planes to fly our cargo."

He said the only way tax incentives might help is if the state could entice a shipping company like United Parcel Service to move a hub to an Indiana airport.

Indianapolis International Airport already is the second-largest hub worldwide for Federal Express, with an average of 73 flights a day. The company, which employs 4,800 people in Indianapolis, says the airport is a good location because more than 70 percent of major U.S. business markets are within a day's drive of the airport.

Holt, though, remains hopeful, saying the cargo flights could be a boon to economic development.

Nowak, Tim

From: Nowak, Tim
Sent: Wednesday, May 11, 2011 2:04 PM
To: Coleman, Denny
Subject: FW: MCHC Working Group Conference Call agenda--RESCHEDULED

Denny - Per the China Hub conf. call this morning, support calls are encouraged on behalf of Aerotropolis to Speaker of the House, Steven Tilley – 573-751-1488.

Tim J. Nowak
Executive Director
World Trade Center Saint Louis
121 S. Meramec Avenue, Suite 1111
St. Louis, MO 63105
Office 314.615.8151
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tnowak@worldtradecenter-stl.com
<http://www.worldtradecenter-stl.com/>

From: dpmehan@mochamber.com [<mailto:dpmehan@mochamber.com>]
Sent: Wednesday, May 11, 2011 1:56 PM
To: Jenn Poeppelmeier; Jason Van Eaton; Stephen Perry; Rhonda Hamm-Niebruegge; Jones, Mike;
[Rich McClure@unigroupinc.com](mailto:Rich_McClure@unigroupinc.com); Dick Fleming; Nowak, Tim; Steve M. Stone; 'Jeff Rainford'
Cc: Asst. Rhonda (Vicki); Hollins, Edna; Asst. Rich McClure (Susan); Amanda Yoder; Asst Dick Fleming (Karen); Steve Stone's Assistant
Subject: Re: MCHC Working Group Conference Call agenda--RESCHEDULED

Discussions being held on tax credit compromise. Keep calls coming.

Sent via BlackBerry by AT&T

From: "Jenn Poeppelmeier" <jenn@spectrumcgllc.com>
Date: Wed, 11 May 2011 08:29:48 -0500
To: 'Jason Van Eaton' <jason@spectrumcgllc.com>; 'Stephen Perry' <stephen@lexcorltd.com>; 'Rhonda Hamm-Niebruegge' <rkhamm-niebruegge@flystl.com>; 'Michael Jones' <mwjones@stlouisco.com>; <[Rich McClure@unigroupinc.com](mailto:Rich_McClure@unigroupinc.com)>; 'Dan Mehan' <dpmehan@mochamber.com>; 'Fleming, Dick' <dfleming@stlrcga.org>; <TNowak@worldtradecenter-stl.com>; 'Steven M. Stone' <smstone@stoneleyton.com>; 'Jeff Rainford' <rainfordj@stlouiscity.com>
Cc: Asst. Rhonda \ (Vicki) <vsware@flystl.com>; Asst. Mike Jones \ (Edna) <eshollins@stlouisco.com>; Asst. Rich McClure \ (Susan) <[Susan Falcone@unigroupinc.com](mailto:Susan_Falcone@unigroupinc.com)>; Amanda <ayoder@mochamber.com>; Asst Dick Fleming \ (Karen) <kbutchko@stlrcga.org>; Asst. Steve Stone \ (Karen) <kkokesh@stoneleyton.com>
Subject: RE: MCHC Working Group Conference Call agenda--RESCHEDULED

Reminder this call will start in 1 hour.

Thank You,
Jenn

From: Jason Van Eaton [<mailto:jason@spectrumcgllc.com>]
Sent: Monday, May 09, 2011 11:31 AM

To: Stephen Perry; Rhonda Hamm-Niebruegge ; Michael Jones; Rich McClure@unigroupinc.com; Dan Mehan; 'Fleming, Dick'; TNowak@worldtradecenter-stl.com; Steven M. Stone; Jeff Rainford
Cc: 'Jenn Poeppelmeier'
Subject: MCHC Working Group Conference Call agenda--RESCHEDULED

Due to the visit by the Shanghai FID, we are rescheduling to have a working group conference call from tomorrow to exactly one day later, Wednesday, May 11th, at 9:30 AM EST. The agenda is attached.

Conference call numbers for tomorrow's call:

Calling from USA: 1-719-457-0613

Code: 310 998#

Calling from UK: 20 7082 0222

Code: 310 998#

Thanks,
Jason

Jason Van Eaton
P.O. Box 7056
Columbia, MO 65205-7056

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Nowak, Tim

From: Nowak, Tim
Sent: Tuesday, May 03, 2011 1:19 PM
To: 'David Drier'; Jim Gloriod
Cc: Alicia Carter
Subject: RE: Shanghai FID RSVP

Great. On the Aerotropolis end, still much work to be done. we're hopeful but nothing yet agreed between house/senate.

From: David Drier [<mailto:David.Drier@aon.com>]
Sent: Tuesday, May 03, 2011 1:19 PM
To: Nowak, Tim; Jim Gloriod
Cc: Alicia Carter
Subject: RE: Shanghai FID RSVP

Tim,
Thanks for the invite and heads up. Today's paper also encouraging on tax incentive front!!
I'll click and RSVP yes for me. Jim traveling this week, so have copied his assistant so she can see about his availability.
Best regards,
David

David T. Drier
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From: Nowak, Tim [<mailto:TNowak@worldtradecenter-stl.com>]
Sent: Tuesday, May 03, 2011 12:49 PM
To: Jim Gloriod; David Drier
Subject: Shanghai FID RSVP



We've just been given the opportunity to offer a business forum featuring leaders of the Shanghai Foreign Investment Development Board (www.fid.org.cn) on **Tuesday, May 10, 2011, from 9am to 11am**. We will meet in the RCGA offices on the 13th floor of One Met Square in downtown St. Louis.

The RCGA and World Trade Center-St. Louis jointly signed a Memorandum of Understanding with Shanghai FID in January of this year. The primary objective of their visit to St. Louis is to identify tangible means of enhancing the cooperation between our regions, as called for in the MOU. We know this is extremely short notice, but hope you may be able to join us.

We have suggested to our friends at Shanghai FID that their presentation preview an international business forum they are hosting in Shanghai later this month titled, "*Stimulating Consumption by Commercial Innovation*." Increased consumption throughout China is a national priority and will lead to many new business opportunities. They will also provide detail of the services their organization can provide to your company, whether interested in exporting to Shanghai or exploring direct investment opportunities in that part of China.

Seating will be limited, so please **[CLICK HERE](#)** to reserve your place at this seminar. Thanks for your interest.

Best regards,



Tim J. Nowak
Executive Director
World Trade Center St. Louis



Steve S. Johnson
Executive VP – Economic Development
St. Louis RCGA

Nowak, Tim

From: Johnson, Steve [sjohnson@stlrcga.org]
Sent: Tuesday, May 03, 2011 11:26 AM
To: Nowak, Tim
Subject: Revised agenda for Monday morning

Tim ... here's what I'm thinking. No idea if anyone is available.

- Welcome – Mayor
 - Makes the pitch for them opening an office here
- Intro to Shanghai FID – Dong Tao
- Big Idea – Dick
- Aerotropolis – Steve Stone / Ed Monser
- Representative M&A Activity – Kevin Short, Capital Partners (have left a voice mail for him)
 - Hussman division of Ingersoll Rand – would like to find someone who can represent this deal. Possible “cold chain” supplier for china?
- Agriculture – any suggestions? Nancy Heinman (was that her name – Beef Excellence Council?)
- Real Estate – still struggling with this. Either want someone who can represent the industry or 2 or 3 brokers who can roll out some sample deals.



Steven S. Johnson

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From: Hendrix, Corrie
Sent: Monday, May 02, 2011 4:35 PM
To: Coleman, Denny; Wellington, Jackie; Nowak, Tim; Jamboretz, Kathryn; Potts, Douglas
Subject: anti McHub by Show-Me Institute

GUEST COMMENTARY: St. Louis Midwest China Hub wrong for Missouri

Monday, May 2, 2011 | 12:23 p.m. CDT
BY Christine Harbin and Audrey Spalding

Although the state government is strapped for cash, Missouri's General Assembly is about to place a huge and ill-advised bet on the so-called "Midwest China Hub," or "Aerotropolis." The subsidies would authorize \$360 million in tax credits — although the details keep changing — primarily for the construction and operation of cargo warehouses near the Lambert–St. Louis International Airport.

At the 11th hour, legislators tacked on this misguided proposal to another bill that would limit tax credit expenditures. The end result is a 330-page bill that would accomplish little other than take benefits from some — in this case, the low-income elderly — and instead award benefits to private developers in St. Louis.

In a recent state Senate committee hearing on the China Hub subsidies, Sen. Ron Richard opined, "I've got business people and friends of mine that live in St. Louis that are begging for something new and creative. So we take a chance." Unfortunately, when he advocated trying something new and creative, Richard did not suggest the state create an environment that encourages all Missouri residents to be creative and entrepreneurial. His plan entails quite the opposite: gambling hundreds of millions of dollars and leaving Missouri taxpayers on the hook.

The China Hub subsidies have three critical problems. First, the bill rests on the flawed notion that legislators are all-knowing and that they have the ability to successfully pick and choose the industries, types of employment and goods and services that should exist in Missouri. Second, the state government is already short on funds, and it cannot afford to give away hundreds of millions. Revenue lost to tax breaks for favored industries would need to be replaced by increased debt, reduced government spending, or — more likely — imposing a higher tax rate for all of Missouri's less fortunate taxpayers.

Third, there has been no in-depth study of the costs and benefits of the proposal, nor do we know the level of commitment from foreign firms. The Saint Louis Regional Chamber & Growth Association recently released an eight-page brief about the China Hub subsidies, but it is by no means in-depth. It merely extends the unsupported assumptions that were built into the legislation.

Major questions remain to be answered. In particular: What's the rush? We don't know with certainty what the legislation will cost, or what business it may bring. Why should state government pick an economic winner, when it has such a poor track record for doing so? Also, how do we know that cargo warehouses have the ability to boost the St. Louis area economy?

Legislators like Richard have a hunch, and they want taxpayers to bear the risk. As Harvard economist Edward Glaeser notes: “Too many officials in troubled cities wrongly imagine that they can lead their city back to its former glories with some massive construction project ...”

Unfortunately for taxpayers, the strategy taken by state legislators is not a new one — nor is it effective. The China Hub subsidies rely on the same old policies that the legislature has tried before. Why will this time be any different? Within the last decade, we spent \$1.1 billion on a new runway at Lambert, and it sits largely unused. Missouri lawmakers say that they want to rein in tax credits but then turn around and award even more.

If lawmakers were serious about “taking a chance,” they would do something that is actually new and different, such as reducing the state income tax or eliminating tax credits altogether. This would create a more favorable playing field for all businesses — not just a select few. Is there anything creative and new about subsidizing the construction and operation of warehouses?

The best way for Missouri to grow the economy is to provide a business climate that encourages individuals to develop new ideas. If government officials genuinely want to try a new strategy, they should stop attempting to control the state economy from the top down. Creating another layer of bureaucracy — no matter how well-intentioned — will only impede this creativity and stifle growth.

Entrepreneurs in Missouri will seize upon the opportunities around them as soon as the government gets out of their way.

Christine Harbin and Audrey Spalding are policy analysts at the Show-Me Institute, an independent think tank promoting free-market solutions for Missouri public policy. Spalding is a graduate of the Missouri School of Journalism and a former reporter for the Missourian.

Nowak, Tim

From: Coleman, Denny
Sent: Thursday, April 28, 2011 6:47 PM
To: Nowak, Tim
Subject: FW: SS / HB 116
Attachments: SS SCS HCS HB 116.doc; HB 116 Amendments Part 1.pdf; HB 116 Amendments Part 2.pdf

Denny Coleman, CEcD, FM
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From: John Bardgett [<mailto:john@bardgett.net>]
Sent: Thursday, April 28, 2011 10:51 AM
To: Coleman, Denny; Rasmussen, Douglas; Ruben, Andrew; Curran, Thomas; Dooley, Charlie
Subject: SS / HB 116

The Senate last night debated and passed SS / HB 116 which contains Aerotropolis, Compete MO and the recommendations from the Tax Credit Review Commission. There were several amendments that were adopted and they are also attached. There will not be a comprehensive document with all the adopted amendments incorporated until there is a Conference Committee Report on the final version of the bill.

The bill is now in Senate Ways and Means and Fiscal Review and should be voted out on Monday and will probably be third read by the Senate the same day. There will be a Conference Committee appointed with House and Senate members to work on the final version. We will keep you posted, but wanted you to have the Senate Substitute and amendments for your review.

John Bardgett
John Bardgett & Associates
Jefferson City office: 573-634-8760
St. Louis office: 636-530-9392
john@bardgett.net

Nowak, Tim

From: Fleming, Dick [dfleming@stlrcga.org]
Sent: Thursday, April 28, 2011 12:56 PM
To: Jason Van Eaton
Cc: Walsh, Michele; assistant Ehlmann; Butchko, Karen; Holyfield, Felicia; Hollins, Edna; assistant Keith; assistant Kerr; assistant McClure; assistant Mehan; assistant Rhonda; assistant Stone; Brain Weiler; Chris Chung; Dan Mehan; David Kerr; Coleman, Denny; Potts, Douglas; Jason Van Eaton; Jeff Rainford; Jennifer George; Joe Pestka; Steiger, Joyce; Kevin Keith; Lancaster, David S.; Jones, Mike; Michael Wang; Rhonda Hamm-Niebruegge; Richard McClure; Sallie Hemenway; Stacey Putnam; Stephen Perry; Steve Ehlmann; Steven M. Stone; Johnson, Steve; Nowak, Tim; Tom Irwin
Subject: Re: Aerotropolis Bill update

Concur on kudos to Senator Schmitt. By phone, he joined a panel of Ed Monser, Mayor Slay, Jeff Rainford, Rhonda, David Barklage, Steve and me at the RCGA Board of Directors meeting this morning in debriefing our Board on the important breakthroughs that took place last night in the Senate.

Congrats and thanks to all who have and continue to work so hard to get us to this point.

Dick

Sent from my iPhone

On Apr 28, 2011, at 9:26 AM, "Jason Van Eaton"
<<<mailto:jason@spectrumcgllc.com>>jason@spectrumcgllc.com<<mailto:jason@spectrumcgllc.com>>>
wrote:

As everyone probably knows by now, the Aerotropolis substitute amendment passed the Senate as a part of a larger economic development package early this morning. There are several articles out this morning that review the process and final product. Bottom line, it has now passed the House and Senate but in different forms and different bills. There is still much work to do before this becomes law but last night was a major hurdle.

Thanks to everyone that played a role in this accomplishment.

There were many people involved in making this happen but please join me in recognizing Senator Schmitt's leadership and diligence. Without his absolute commitment to this bill, there is no way we would have gotten it this far.

FYI--there were some changes to the original package that reduced the overall price tag to \$360m over 15 years, but the bulk of the package remained intact.

Thanks,
Jason

Jason Van Eaton
P.O. Box 7056
Columbia, MO 65205-7056

573/256-2111 Work
573/808-3922 Cell

Nowak, Tim

From: Jeff Rainford [RainfordJ@stlouiscity.com]
Sent: Thursday, April 28, 2011 10:27 AM
To: 'David Kerr'; 'assistant Kerr'; 'Sallie Hemenway'; David S." "Lancaster; Rhonda Hamm-Niebruegge; Stacey Putnam; Vicki Ware; 'Tom Irwin'; 'Michael Wang'; 'Stephen Perry'; 'Chris Chung'; 'assistant Mehan'; 'Dan Mehan'; 'Brain Weiler'; 'Joe Pestka'; 'Kevin Keith'; 'assistant Keith'; 'Jennifer George'; 'Steve Ehlmann'; 'assistant Ehlmann'; Coleman, Denny; Potts, Douglas; Steiger, Joyce; Walsh, Michele; Jason Van Eaton; Hollins, Edna; Jones, Mike; 'Richard C. D. Fleming'; 'assistant Johnson'; 'assistant Fleming'; 'Steven S. Johnson'; 'assistant Stone'; 'Steven M. Stone'; 'Richard McClure'; 'assistant McClure'; Nowak, Tim
Subject: Re: Aerotropolis Bill update

I want to second what Jason said about the senator.

As he said, we have more work to do.

But, the Hub Commission deserves a great deal of credit for the work on this legislation, and putting us in a position to be able to use it.

I will not be able to attend the award ceremony. But, it is well deserved.

Thanks,

Jeff

>>> "Jason Van Eaton" <jason@spectrumcgllc.com> 4/28/2011 9:31 AM >>>

As everyone probably knows by now, the Aerotropolis substitute amendment passed the Senate as a part of a larger economic development package early this morning. There are several articles out this morning that review the process and final product. Bottom line, it has now passed the House and Senate but in different forms and different bills. There is still much work to do before this becomes law but last night was a major hurdle.

Thanks to everyone that played a role in this accomplishment.

There were many people involved in making this happen but please join me in recognizing Senator Schmitt's leadership and diligence. Without his absolute commitment to this bill, there is no way we would have gotten it this far.

FYI—there were some changes to the original package that reduced the overall price tag to \$360m over 15 years, but the bulk of the package remained intact.

Thanks,
Jason

Jason Van Eaton
P.O. Box 7056
Columbia, MO 65205-7056

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Nowak, Tim

From: Jeff Rainford [RainfordJ@stlouiscity.com]
Sent: Wednesday, April 27, 2011 12:39 PM
To: Eaton, Jason Van
Cc: 'Amanda'; 'Butchko, Karen'; 'Casteel, Chip'; 'Fleming, Dick'; Hollins, Edna; Hamm-Niebruegge, Rhonda; Jones, Mike; Kokesh', 'Karen; McClure', 'Rich; McClure', 'Richard; Mehan', 'Dan; Nowak, Tim; Perry', 'Stephen; Poeppelmeier', 'Jenn; Stone', 'Steven M.
Subject: RE: MCHC Working Group Conf Call

I just got off the telephone with David Farr. He told me he is supportive of Aerotropolis. He is pleased with our efforts to make it as efficient an economic development tool as possible.

He called it one of the best economic development tools in front of the state of Missouri.

I asked him to call Senator Schmitt and Dan Mehan to convey his thoughts in time for today's debate. He agreed to do so.

Thanks,

Jeff

>>> "Jason Van Eaton" <jason@spectrumcgllc.com> 4/27/2011 9:46 AM >>>

Thanks for taking time to join the call last night. We are down to the final days and we all need to keep pulling the same oar. Message coordination is key.

Jeff, Steve, how did the meeting with David Farr go last night following our conference call? Following stern comments to the Governor's office and to Civic Progress, people will want to know where they stand. We've put a lot of credibility into the support of Emerson and we need them on the team.

Would be good to assess this situation prior to the lobbying team mtg today.

Jason Van Eaton
P.O. Box 7056
Columbia, MO 65205-7056

573/256-2111 Work
573/808-3922 Cell

From: Jason Van Eaton [mailto:jason@spectrumcgllc.com]
Sent: Tuesday, April 26, 2011 10:59 AM
To: 'Fleming, Dick'
Cc: 'Asst. Mike Jones (Edna)'; 'Rich McClure'; 'Karen Kokesh'; 'Amanda'; 'Butchko, Karen'; 'Jenn Poeppelmeier'; 'Michael Jones'; 'Richard McClure'; 'Dan Mehan'; 'Steven M. Stone'; 'Rhonda Hamm-Niebruegge'; 'Stephen Perry'; 'Tim J. Nowak'; 'Jeff Rainford'; 'Casteel, Chip'
Subject: RE: MCHC Working Group Conf Call

I have invited them both to join. Sen Schmitt's office said this may conflict with a Caucus meeting but they won't know the specific time for that meeting until much later in the day.

Jason Van Eaton
P.O. Box 7056

Columbia, MO 65205-7056

573/256-2111 Work

573/808-3922 Cell

From: Fleming, Dick [mailto:dffleming@stlrcga.org]

Sent: Tuesday, April 26, 2011 10:03 AM

To: 'jason@spectrumcgllc.com'

Cc: Asst. Mike Jones (Edna); Rich McClure; Karen Kokesh; Amanda; Butchko, Karen; Jenn Poeppelmeier; Michael Jones; Richard McClure; Dan Mehan; Steven M. Stone; Rhonda Hamm-Niebruegge; Stephen Perry; Tim J. Nowak; Jeff Rainford; Casteel, Chip

Subject: RE: MCHC Working Group Conf Call

Thanks. I have an investor presentation late this afternoon, but will join the call as soon as I have completed that.

I assume that Senator Schmitt and/or David will join the call for the update on the legislation, as the Senator has previously requested ?



Richard C.D. Fleming
President and Chief Executive Officer
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From: Jason Van Eaton [mailto:jason@spectrumcgllc.com]

Sent: Tuesday, April 26, 2011 8:54 AM

To: Jenn Poeppelmeier; Michael Jones; Richard McClure; Dan Mehan; Steven M. Stone; Fleming, Dick; Rhonda Hamm-Niebruegge; Stephen Perry; Tim J. Nowak; Jeff Rainford

Cc: Asst. Mike Jones (Edna); Rich McClure; Karen Kokesh; Amanda; Butchko, Karen

Subject: Re: MCHC Working Group Conf Call

All:

Jeff and I were talking about the working group's call agenda. The most urgent issue on the agenda is SB 390. He rightly pointed out that since last week Jeff City was consumed by the redistricting debate and the Capitol

was essentially closed yesterday for the holiday, there is little to report. We decided that a call later in the day would allow for more activity.

The thinking is to postpone the call until 530 PM CDT.

Hope you can make that work.

Sent via BlackBerry by AT&T

From: "Jenn Poeppelmeier" <jenn@spectrumcgllc.com>
Date: Mon, 25 Apr 2011 15:53:07 -0500
To: Michael Jones<mwjones@stlouisco.com>; Richard McClure<Rich_McClure@unigroupinc.com>; Dan Mehan<Dpmehan@mochamber.com>; Steven M. Stone<smstone@stoneleyton.com>; Richard C. D. Fleming<dfleming@stlrcga.org>; Rhonda Hamm-Niebruegge<rkhamm-niebruegge@flystl.com>; Stephen Perry<stephen@lexcorltd.com>; Tim J. Nowak<tnowak@worldtradecenter-stl.com>; Jeff Rainford<rainfordj@stlouiscity.com>; Jason Van Eaton<jason@spectrumcgllc.com>
Cc: Asst. Mike Jones \ (Edna) <eshollins@stlouisco.com>; Asst. Rich McClure \ (Susan) <Susan_Falcone@unigroupinc.com>; Asst. Steve Stone \ (Karen) <kkokesh@stoneleyton.com>; Amanda <ayoder@mochamber.com>; Asst Dick Fleming \ (Karen) <kbutchko@stlrcga.org>
Subject: MCHC Working Group Conf Call

Jason is traveling today and asked me to send out a reminder that you have your regularly scheduled working group conference call tomorrow, Tuesday the 26th at 9:30 AM CT. Please note the new call in information below.

Conference call numbers for the call are as follows:

Calling from USA: 719-457-0613
Code: 310 998

Calling from London, UK: +44 (0) 20 7663 2216
Code: 310 998

Thanks,
Jenn

Jenn Poeppelmeier
Associate
Spectrum Consulting Group

Cell: 314-795-7833
Office: 573-256-2111
Fax: 866-473-1425

Nowak, Tim

From: dpmehan@mochamber.com
Sent: Monday, April 25, 2011 8:25 PM
To: Jason Van Eaton; Rhonda Hamm-Niebruegge; Jenn Poeppelmeier; Jones, Mike; Richard McClure; Steve M. Stone; Dick Fleming; Stephen Perry; Nowak, Tim; Jeff Rainford
Cc: Hollins, Edna; Rich McClure; Steve Stone's Assistant; Amanda Yoder; Asst Dick Fleming(Karen)
Subject: Re: MCHC Working Group Conf Call

I'd underscore the importance of this call. There is movement on Aerotropolis and other related issues and there are only 13 legislative days remaining, and many issues including ours remain unresolved.

Talk to everyone tomorrow,

Dan

Sent via BlackBerry by AT&T

From: "Jason Van Eaton" <jason@spectrumcgllc.com>
Date: Tue, 26 Apr 2011 00:37:20 +0000
To: Rhonda Hamm-Niebruegge<RKHamm-Niebruegge@flystl.com>; Jenn Poeppelmeier<jenn@spectrumcgllc.com>; Michael Jones<mwjones@stlouisco.com>; Richard McClure<Rich_McClure@unigroupinc.com>; Dan Mehan<dpmehan@mochamber.com>; Steven M. Stone<smstone@stoneleyton.com>; Richard C. D. Fleming<dfleming@stlrcga.org>; Stephen Perry<stephen@lexcorltd.com>; Tim J. Nowak<tnowak@worldtradecenter-stl.com>; Jeff Rainford<rainfordj@stlouiscity.com>
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Cc: Asst. Mike Jones (Edna)<eshollins@stlouisco.com>; Rich McClure<susan_falcone@unigroupinc.com>; Karen Kokesh<kkokesh@stoneleyton.com>; Amanda<ayoder@mochamber.com>; Asst Dick Fleming(Karen)<kbutchko@stlrcga.org>
Subject: Re: MCHC Working Group Conf Call

Completely understand, Rhonda. You've got your hands full.

All the best for a speedy recovery to full operations!

Sent via BlackBerry by AT&T

From: "Hamm-Niebruegge, Rhonda K." <RKHamm-Niebruegge@flystl.com>
Date: Mon, 25 Apr 2011 17:21:16 -0500
To: Jenn Poeppelmeier<jenn@spectrumcgllc.com>; Michael Jones<mwjones@stlouisco.com>; Richard McClure<Rich_McClure@unigroupinc.com>; DanMehan<Dpmehan@mochamber.com>; Steven M. Stone<smstone@stoneleyton.com>; Richard C. D. Fleming<dfleming@stlrcga.org>; Stephen Perry<stephen@lexcorltd.com>; Tim J. Nowak<tnowak@worldtradecenter-stl.com>; Rainford, Jeff<RainfordJ@stlouiscity.com>; Jason Van Eaton<jason@spectrumcgllc.com>
Cc: Asst. Mike Jones (Edna)<eshollins@stlouisco.com>; Asst. Rich McClure(Susan)<Susan_Falcone@unigroupinc.com>; Asst. Steve Stone (Karen)<kkokesh@stoneleyton.com>; Amanda<ayoder@mochamber.com>; Asst Dick Fleming(Karen)<kbutchko@stlrcga.org>

Subject: RE: MCHC Working Group Conf Call

I'm not sure I can be on it but will try.

Rhonda Hamm-Niebruegge
Airport Director
Lambert-St. Louis Int'l Airport
314-426-8020
rkhamm-niebruegge@flystl.com



From: Jenn Poeppelmeier [<mailto:jenn@spectrumcgllc.com>]
Sent: Monday, April 25, 2011 3:53 PM
To: Michael Jones; Richard McClure; Dan Mehan; Steven M. Stone; Richard C. D. Fleming; Hamm-Niebruegge, Rhonda K.; Stephen Perry; Tim J. Nowak; Rainford, Jeff; Jason Van Eaton
Cc: Asst. Mike Jones (Edna); Asst. Rich McClure (Susan); Asst. Steve Stone (Karen); Amanda; Asst Dick Fleming (Karen)
Subject: MCHC Working Group Conf Call

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Thanks,
Jenn

Jenn Poeppelmeier
Associate
Spectrum Consulting Group

Cell: 314-795-7833
Office: 573-256-2111
Fax: 866-473-1425

From: Nowak, Tim
Sent: Thursday, April 14, 2011 12:54 PM
To: Coleman, Denny; Ruben, Andrew
Subject: StLToday.com - Aerotropolis

Unpacking the "Aerotropolis" tax credits

By Tim Logan

Conversation continues to brew around so-called "Aerotropolis Tax Credit," the \$480 million incentive package that Missouri lawmakers are considering to boost the region's China Hub project.

It passed the House of Representatives this week, but appears headed for some sharp debate in the Senate. Gov. Jay Nixon has yet to publicly embrace the bill. Some in the region's economic development community are grumbling about it (privately, for the most part, fearing the wrath of its powerful supporters). And it appears to have raised the eyebrows of the Show-Me Institute, among others.

All of which makes the Aerotropolis worth a closer look. \$480 million, after all, is a heck of a lot of money - even for a project as potentially huge as the China Cargo Hub. It seems worthwhile to understand just where it would go.

While it is one bill, the package actually comes in two pieces.

- The first, worth up to \$60 million, is targeted to freight forwarders, companies that some refer to as the "travel agents of air cargo."

These firms arrange to get, for instance, a pallet of pricey tractor parts from a John Deere plant in Illinois to distributors in Henan Province. To encourage them to move that traffic through St. Louis instead of a busier freight airport like Chicago, the Aerotropolis bill would offer tax breaks worth 25 cents a kilogram, or 30 cents if the goods are perishable. If there's no freight, there are no tax breaks. And only exports qualify. In talking to people familiar with the bill, this is fairly uncontroversial.

- The other piece is much larger. It would set aside \$420 million over 15 years to build warehouses, cold storage facilities and assembly plants - and to pay interest on loans to do it - in a handful of so-called "Gateway Zones. These are places where trade around the hub would happen.

Within these zones, owners of buildings that house international trade would be eligible for tax credits against the cost of their project, worth up to \$300 million over 15 years. They'd also be able to claim credits totaling \$120 million to reimburse interest costs on their construction loans. Meanwhile companies that do the actual trading could claim breaks on state income and franchise taxes

Where are these "Gateway Zones?" The bill doesn't specify, but it lays out some requirements. These are worth a look, because if the China Hub does what its backers hope it will, these are the places where the action will be. To qualify, according to the bill, they must meet one of the following requirements:

- "Within the boundaries of an airport." This would include the undeveloped land and empty hangars immediately around Lambert.
- "Any area owned or managed by the port authority of a city not within a county." This means land controlled by the Port Authority of the City of St. Louis (the only "city not within a county" in Missouri). There's lots of this along the north

riverfront - an industrial area St. Louis officials have been trying to develop for years, and recently targeted for new plans.

- "A foreign trade zone located within 50 miles of an airport." This would include the 825-acre federally-designated Foreign Trade Zone around Lambert, which includes NorthPark and the Hazelwood Commerce Center - both controlled by developer Paul McKee (one of the original architects of the China Hub effort). It could soon include the entire city and county of St. Louis, as Mayor Francis Slay and County Executive Charlie Dooley last fall asked the Commerce Department to give Zone designation to the whole city and county.

- "A site of at least 100 contiguous developable acres located within 50 miles of an airport." This is where things spread even further, to include sites in St. Charles and potentially Jefferson, Lincoln, Warren and Franklin Counties. Even if the Foreign Trade Zone request doesn't fly, this would qualify the old Chrysler Plant in Fenton and the old Hazelwood Ford site. Another likely target could be the 370 Corridor in St. Charles. And by the way, those 100 acres don't have to be contiguous as long as they're all within a designated redevelopment area (like, for instance, McKee's massive NorthSide footprint).

The real estate piece of the Aerotropolis bill has a wide footprint, which could help it garner support. But the barrier to entry is still pretty high - unless you're the City of St. Louis, you'd need 100 acres to qualify.

The politics around this, too, are complicated. But that's a story for another day. Stay tuned.

Tim J. Nowak
Executive Director
World Trade Center Saint Louis
121 S. Meramec Avenue, Suite 1111
St. Louis, MO 63105
Office 314.615.8151
Cell 314.313.9877
tnowak@worldtradecenter-stl.com
<http://www.worldtradecenter-stl.com/>

Nowak, Tim

From: Nowak, Tim
Sent: Monday, April 11, 2011 9:08 AM
To: Ruben, Andrew
Subject: FW: Steamboats and Trains and Bridges

Thought it might be good to keep you in the loop on this as well. No response required. This is one of about 5 emails that I will forward.

From: Stone, Steven [<mailto:smstone@stoneleyton.com>]
Sent: Friday, April 08, 2011 11:57 PM
To: Jeff Rainford; RKHam-Niebruegge@flystl.com; Dan Mehan; Rich_McClure@unigroupinc.com; Jones, Mike; Nowak, Tim; Coleman, Denny; sehlmann@sccmo.org; Jason Van Eaton; Fleming, Dick; Johnson, Steve
Subject: Steamboats and Trains and Bridges

I attended an RCGA Trustee Meeting today to present Aerotropolis with Senator Schmitt, Jeff Rainford and David Barklage.

As I was walking out I stopped to talk with Rich Sauget who suggested that he was somewhat disappointed that there was not one single mention of MidAmerica Airport by anyone on the panel or by any of the RCGA Trustees.

He changed course and briefly discussed the Legislation---said that he was supportive---wanting, as always, Lambert to succeed.

He then mentioned that MidAmerica was "copying" the Legislation.

It is a smart and opportunistic move on their part.

It brings them into alignment with the direction we are heading in.

Is it dangerous to Lambert?

Only if Missouri fails to pass Aerotropolis.

That thought is really quite sobering---Lambert without Aerotropolis; and MidAmerica on the make with our legislation--legislation that has already been endorsed by China Cargo.

Are we to be second---a second time?

Shaping up that way---unless the people on this side of the river, who are seen as leading on China, come together--for just 45 days--and deliver a unified message of support to the Media and Senate leadership.

That obviously did not happen today.

STEVEN M. STONE, ESQ.
Principal

STONE, LEYTON & GERSHMAN
A Professional Corporation
7733 Forsyth Boulevard • Suite 500
St. Louis • Missouri • 63105
Phone (314) 721-7011 • (314) 721-8660 Fax

Nowak, Tim

From: Nowak, Tim
Sent: Monday, April 11, 2011 9:06 AM
To: Coleman, Denny
Subject: FW: Lambert infrastructure funding

From: Jeff Rainford [<mailto:RainfordJ@stlouiscity.com>]
Sent: Monday, April 11, 2011 9:05 AM
To: Rhonda Hamm-Niebruegge; dpmehan@mochamber.com
Cc: David S. Lancaster; David Barklage; Jason Van Eaton; Jones, Mike; Dick Fleming; Steve Johnson; Steve M. Stone; Rich McClure; Nowak, Tim
Subject: Re: Lambert infrastructure funding

I already told David Barklage we should do this.

Thanks,

Jeff

>>> "Hamm-Niebruegge, Rhonda K." <RKHamm-Niebruegge@flystl.com> 4/10/2011 5:01 PM >>>
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Sent from my iPhone

On Apr 10, 2011, at 4:28 PM, "dpmehan@mochamber.com" <dpmehan@mochamber.com>
> wrote:

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> from the appropriation success that we attained 2 years ago.
> Sent via BlackBerry by AT&T
>
> -----Original Message-----
> From: "Jason Van Eaton" <jason@spectrumcgllc.com>
> Date: Sun, 10 Apr 2011 19:34:46
> To: Rhonda Hamm-Niebruegge<RKHamm-Niebruegge@flystl.com>; Michael
> Jones<mwjones@stlouisco.com>; Rich McClure<richard_mcclure@unigroupinc.com>
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Sent: Monday, April 11, 2011 9:05 AM
To: Rhonda Hamm-Niebruegge; dpmehan@mochamber.com
Cc: David S. Lancaster; David Barklage; Jason Van Eaton; Jones, Mike; Dick Fleming; Steve Johnson; Steve M. Stone; Rich McClure; Nowak, Tim
Subject: Re: Lambert infrastructure funding

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> To: Rhonda Hamm-Niebruegge<RKHamm-Niebruegge@flystl.com>; Michael
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Nowak, Tim

From: Hamm-Niebruegge, Rhonda K. [RKHamm-Niebruegge@flystl.com]
Sent: Sunday, April 10, 2011 5:02 PM
To: dpmehan@mochamber.com
Cc: Jason Van Eaton; Jones, Mike; Rich McClure; Steve M. Stone; Dick Fleming; Steve Johnson; Nowak, Tim; Rainford, Jeff; David Barklage; Lancaster, David S.
Subject: Re: Lambert infrastructure funding

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From: dpmehan@mochamber.com
Sent: Sunday, April 10, 2011 4:29 PM
To: Jason Van Eaton; Rhonda Hamm-Niebruegge; Jones, Mike; Rich McClure; Steve M. Stone; Dick Fleming; Steve Johnson; Nowak, Tim; Jeff Rainford; David Barklage
Cc: David S. Lancaster
Subject: Re: Lambert infrastructure funding

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Nowak, Tim

From: Fleming, Dick [dfleming@stlrcga.org]
Sent: Saturday, April 09, 2011 1:06 PM
To: 'Stone, Steven'
Cc: Jeff Rainford; RKHamm-Niebruegge@flystl.com; Dan Mehan;
Rich_McClure@unigroupinc.com; Jones, Mike; Nowak, Tim; Coleman, Denny;
sehlmann@sccmo.org; Jason Van Eaton; Johnson, Steve
Subject: RE: Steamboats and Trains and Bridges
Importance: High

Steve,

Your reference to the "Great St. Louis/Chicago Missed Opportunity" from over a hundred years ago and to Rich Sauget's positive reaction to Aerotropolis are both quite poignant.

Senator Schmitt's, Jeff Rainford's, David Barklage's and your presentations to the RCGA economic development Board of Trustees meeting yesterday morning --- attended by Danny Ludeman, Bob Cox, Mike DeCola, Charlie Dooley, Jan Holloway, Mike Kearney, Rich McClure, Rich Sauget, Len Toenjes, Doug Yaeger, and Scott Zajac --- were very well received by our leadership.

The genuinely enthusiastic and supportive reactions by members of our Board of Trustees, and their individual offers to help, both during and following yesterday morning's meeting, were in stark contrast yesterday to the totally-uninformed and unfortunately-timed editorial opposing SB 390 by Ellen Sherberg in yesterday's *St. Louis Business Journal*.

It is a real shame that the *Business Journal* apparently didn't even both to speak with Senator Schmitt, to Ed Monser, or to Rhonda to get the facts, even through they have been clearly actively leading the effort on SB 390 because of the clear and direct link between getting and sustaining the China Cargo Hub and the passage of this important legislation.

Eric's comment following the meeting that rural Missouri leaders are actually supporting the bill, rather than the editorial's reference to precisely the opposite, shows just how uniformed the editorial is. The 9-0 vote by the Senate Economic development Committee, 20-0 vote by the House Economic Development Committee, and 161- 2 vote this week passing the bill in the House, shows how great our potential is for both advancing St. Louis' version of an Aerotropolis Logistics Cluster and actually landing the Cargo Hub --- if we in St. Louis can avoid "snatching defeat from the jaws of victory."

Stephen Perry continues to appropriately remind us of the urgent importance of a united effort to pass this important legislation, and the fact that our Chinese colleagues are carefully monitoring this process as they prospectively form a long term partnership with St. Louis.

These are all most sobering reminders of how challenging it is for St. Louis to get it's act together.

We need to keep our eye on the prize!



Richard C.D. Fleming
President and Chief Executive Officer
St. Louis Regional Chamber & Growth Association (RCGA)
1 Metropolitan Square, Suite 1300
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From: Stone, Steven [<mailto:smstone@stoneleyton.com>]
Sent: Friday, April 08, 2011 11:57 PM
To: Jeff Rainford; RKHam-Niebruegge@flystl.com; Dan Mehan; Rich_McClure@unigroupinc.com; Michael Jones; TNowak@worldtradecenter-stl.com; dcoleman@slcec.com; sehlmann@sccmo.org; Jason Van Eaton; Fleming, Dick; Johnson, Steve
Subject: Steamboats and Trains and Bridges

I attended an RCGA Trustee Meeting today to present Aerotropolis with Senator Schmitt, Jeff Rainford and David Barklage.

As I was walking out I stopped to talk with Rich Sauget who suggested that he was somewhat disappointed that there was not one single mention of MidAmerica Airport by anyone on the panel or by any of the RCGA Trustees.

He changed course and briefly discussed the Legislation---said that he was supportive---wanting, as always, Lambert to succeed.

He then mentioned that MidAmerica was "copying" the Legislation.

It is a smart and opportunistic move on their part.

It brings them into alignment with the direction we are heading in.

Is it dangerous to Lambert?

Only if Missouri fails to pass Aerotropolis.

That thought is really quite sobering—Lambert without Aerotropolis; and MidAmerica on the make with our legislation--legislation that has already been endorsed by China Cargo.

Are we to be second---a second time?

Shaping up that way—unless the people on this side of the river, who are seen as leading on China, come together--for just 45 days--and deliver a unified message of support to the Media and Senate leadership.

That obviously did not happen today.

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